

Social Security Bulletin



December 1944

Vol. 7

No. 12

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Social Security During and After the War

Looking Ahead in Public Assistance

*Comparability of Public Assistance Payments
and Social Insurance Benefits*

*Life Insurance and Annuities on United States
Lives, 1935-43*

Benefit Suspensions and "Dry Spells"

FEDERAL SECURITY AGENCY

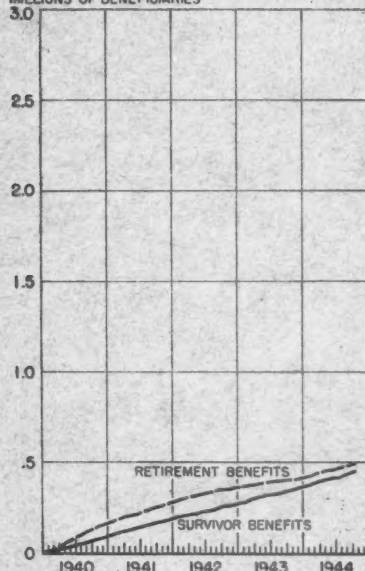
SOCIAL SECURITY BOARD

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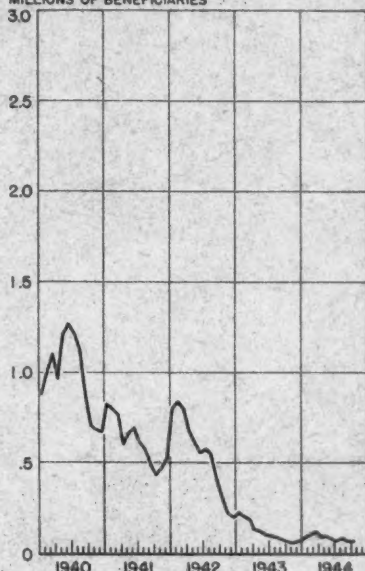
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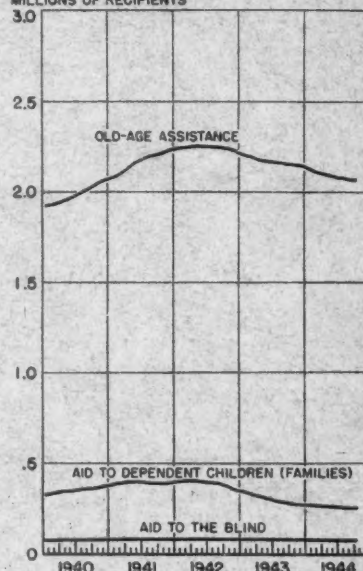
OLD-AGE AND SURVIVORS INSURANCE
MILLIONS OF BENEFICIARIES



UNEMPLOYMENT COMPENSATION
MILLIONS OF BENEFICIARIES

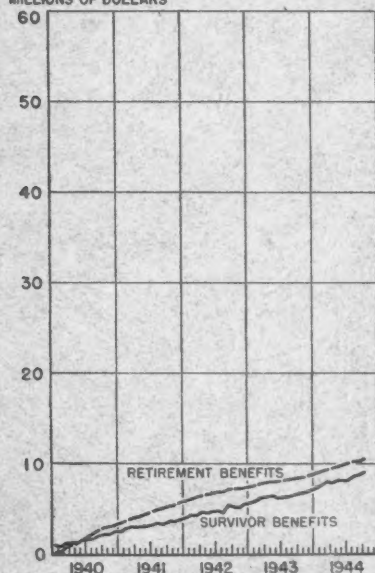


PUBLIC ASSISTANCE
MILLIONS OF RECIPIENTS

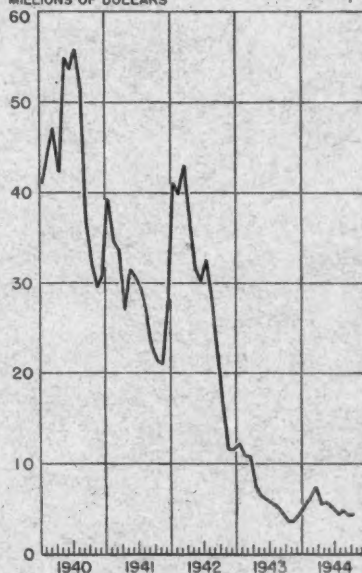


SOCIAL SECURITY PAYMENTS

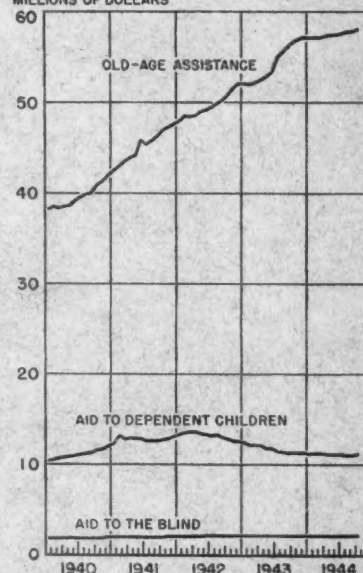
OLD-AGE AND SURVIVORS INSURANCE
MILLIONS OF DOLLARS



UNEMPLOYMENT COMPENSATION
MILLIONS OF DOLLARS



PUBLIC ASSISTANCE
MILLIONS OF DOLLARS



*Old-age and survivors insurance, beneficiaries for whom payments were certified and amounts certified during month; unemployment compensation, weekly average number of beneficiaries for the month and gross benefits paid during the month under laws of States and Territories; public assistance, recipients and payments in the continental United States under all State plans.



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Social Security in Review

The Month in Review

THE NUMBER of awards of primary, wife's, and widow's benefits increased to such an extent during 1944 that the total number of monthly benefits awarded in old-age and survivors insurance in the first 10 months was greater than for the entire year 1943. October awards were 13 percent above the September number and almost half again that in October 1943. Awards of survivor benefits, except widow's benefits, outnumbered those in any previous month, and awards of primary and wife's benefits exceeded those in any month since early 1941. At the end of October, benefits aggregating more than \$19.7 million a month were in force for 1,077,000 beneficiaries.

UNEMPLOYMENT BENEFITS were paid in October to about the same weekly average number of beneficiaries and for about the same number of compensable weeks as in September, but the total amount disbursed in the country as a whole was greater, as was the volume of initial and continued claims. Benefit expenditures increased less than 3 percent from the September total, which was the lowest for 1944, but were almost one-fourth more than in October 1943, when disbursements were practically at the all-time low. The average weekly benefit check for total unemployment was \$16.36. States varied considerably in changes in benefit and claim loads, but 19 States shared the rise from September in payments, 29 reported increases in initial claims, and 24, increases in continued claims.

TOTAL PUBLIC ASSISTANCE payments in the continental United States rose slightly in October, as in the 2 preceding months; general assistance payments registered the largest increase, 3 percent. The general decline of many months in number of recipients continued in October for all the programs and marked the 28th uninterrupted month of decline for old-age

assistance, the 31st month for families receiving aid to dependent children, and the 16th for aid to the blind. A study of case closings, carried elsewhere in this issue, points out that between July 1941 and July 1944 old-age assistance and aid to the blind were discontinued temporarily or permanently for at least a third of the persons on the assistance rolls at some time during the 3 years and that aid to dependent children was dis-

continued, at least temporarily, for about two-thirds of the families on the rolls in those years.

Freezing the Federal Insurance Contributions Rate

For the third consecutive year the rates of contribution under the Federal Insurance Contributions Act were frozen at 1 percent each for employers and employees. These rates are effective for 1945. In signing the bill on December 16 (Public Law 495), the President said that he did so reluctantly (Continued on page 23)

In this issue:

	Page
SOCIAL SECURITY IN REVIEW.....	1
SOCIAL SECURITY DURING AND AFTER THE WAR: RECOMMENDATIONS OF THE BOARD'S NINTH ANNUAL REPORT.....	2
LOOKING AHEAD IN PUBLIC ASSISTANCE, by George E. Bigge.....	4
THE COMPARABILITY OF PUBLIC ASSISTANCE PAYMENTS AND SOCIAL INSURANCE BENEFITS, by Jacob Fisher.....	9
LIFE INSURANCE AND ANNUITIES ON UNITED STATES LIVES, 1935-43, by Weltha Van Eenam.....	14
BENEFIT SUSPENSIONS AND "DRY SPELLS" WHEN OLD-AGE AND SURVIVORS INSURANCE BENEFICIARIES GO TO WORK, by Mignon Sauber.....	19
PUBLIC ASSISTANCE:	
Assistance cases closed in a war year, July 1943-June 1944.....	24
Monthly data on the special types of public assistance and general assistance.....	31
EMPLOYMENT SECURITY:	
Operations in unemployment compensation.....	35
Employment service operations.....	37
Railroad unemployment insurance and employment service.....	39
OLD-AGE AND SURVIVORS INSURANCE:	
Comparison of benefit payments: 1935 act and 1939 amendments.....	40
Under the Social Security Act.....	41
Monthly benefits in force and payments certified, October 1944.....	41
Recomputation of benefits.....	41
Under the Railroad Retirement Act.....	43
Adjudicative load in 1943-44.....	43
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments.....	44
Social insurance and related payments.....	44
Increased pension rates for veterans of Regular Establishment and wars prior to World War I.....	46
Estimated workmen's compensation payments, 1943.....	47
Financial and economic data.....	48
Intrastate equalization measures.....	50
RECENT PUBLICATIONS.....	53

Social Security During and After the War: Recommendations of the Board's Ninth Annual Report

IN ITS *Ninth Annual Report* to Congress the Social Security Board offers comprehensive recommendations for strengthening the social security program to meet special strains of post-war reconversion and, as a necessary adjunct to a system of free enterprise, to afford continuing assurance of social stability and economic progress in the United States.

Old-Age and Survivors Insurance

For old-age and survivors insurance, the major recommendations are to extend coverage to all gainful workers now excluded—among them, agricultural and domestic workers, farmers and other self-employed persons, employees of nonprofit organizations, and Government employees—and to provide benefits for workers retired for permanent and total disability and their dependents. Special provision is needed to protect the insurance status of members of the armed forces. Benefits should be made more nearly adequate through increase in the benefit amounts of low-paid workers, reduction from 65 to 60 years in the qualifying age for women, and liberalization of the "work clause" which requires deduction of a benefit for any month in which the beneficiary, or other person on whose wage record the benefit is based, earns as much as \$15 in covered employment.

Unemployment Insurance

In unemployment insurance, the Board recommends that the Federal and State laws should be amended to include all firms in industries now covered, regardless of the size of the firm or the number of weeks in a year in which it operates. The impending shifts in the labor force as well as continuing needs of the groups concerned also point to the need for prompt extension of unemployment insurance to Federal employees, including war workers in Government shipyards, arsenals, and the like, and to maritime workers. Because of the special circumstances of the industry, coverage of maritime workers would

best be effected under a special Federal system.

Both wartime factors and experience in earlier years indicate, further, urgent need for improving the adequacy of unemployment benefits. Even though primary responsibility for administering unemployment compensation remains with the States, there is a basic national interest in the adequacy of unemployment insurance. In the absence of adequate provision, the Federal Government, as well as the States, may be called upon to establish measures less appropriate than unemployment compensation to deal with the consequences of temporary unemployment. "It appears," the report declares, "that if the overall national interest is to be served and workers are to be assured adequate protection against wage loss resulting from unemployment, through State laws, it will be necessary to extend the Federal Unemployment Tax Act to additional categories of employment and to incorporate in that act additional conditions to be met by State laws if employers contributing under those laws are to receive credit against the Federal tax."

Such conditions, the Board recommends, should ensure that all eligible claimants in all States will be entitled to 26 weeks' benefits in a benefit year; that maximum benefit amounts, including any allowance for dependents, will be at least \$25 a week; and that conditions which justify a temporary disqualification from benefits will not be used to cancel benefit rights. Payment of dependents' allowances, as in old-age and survivors insurance, would provide larger amounts for workers with heavier obligations at much less total cost than would be necessary if benefit scales for all workers were raised to a point which adequately recognizes family needs. All States, the Board believes, now have reserves which warrant improvement of their benefit provisions, especially in view of Congress' recent authorization of Federal advances to States if their reserves should run low in the years immediately following the war.

Public Assistance

Major recommendations in public assistance deal with the scope and basis of Federal matching of assistance funds provided by the States and their localities. The Board recommends that Federal grants be provided for general assistance, as well as for the three special types of assistance, and that the present equal-matching provisions be modified to permit special Federal aid to States with comparatively small economic resources in relation to their assistance needs. Similarly, States should allocate Federal and State funds to localities so as to assure equitable treatment of needy individuals in all parts of the State. It is also recommended that Federal matching maximums for individual payments be removed for aid to dependent children and increased for old-age assistance and aid to the blind, and that Federal funds be made available to share part of the cost of medical services and supplies provided by medical agencies and practitioners to assistance recipients. Aid to dependent children should be broadened to provide for any needy child who is living in a family home, rather than only for children who have been deprived of parental support or care by the parent's death, absence, or incapacity.

The Board points out that many States have residence, citizenship, or other requirements for eligibility for assistance that prevent them from taking full advantage of the present matching provisions of the Federal act. Especially if Federal financial participation is extended to additional areas of need and is increased to form a larger part of the total in low-income States, these restrictions should be removed so that aid will be available to all needy persons. Effectiveness and economy would also be served, the Board believes, by unifying administration of the three special types of assistance and general assistance at both State and local levels.

The Board considers it of great importance that public assistance become better equipped to play its part in the transition to peace, when shifts in industry and in the labor force and large-scale movement of population will bear heavily on many low-income families. During even the war years, lack of sufficient funds for assistance in some States and Federal and State restrictions on assistance programs

have barred some needy groups from any access to public aid and have kept assistance payments in many places below the levels determined by the State as necessary to meet the recipient's need.

Disability and Medical Costs

In this as in earlier annual reports, the Board points out that the losses and costs arising from sickness and disability constitute, except in periods of widespread unemployment, the most important cause of poverty and dependency in the United States. In death rates and in life expectancy at many ages, especially the working ages, the United States has not yet achieved for its people an average security of life as great as that in some other nations with much smaller economic resources. In an ordinary year, sickness and disability cause a loss of some \$3-4 billion in earnings. Expenditures for civilian health and medical services, including hospital construction, total some \$4 billion a year, of which about four-fifths comes from private funds. Nevertheless, many families do not get needed care because they cannot pay the costs, and to many others these costs represent a heavy drain on family income.

The Board recommends, in brief, that Federal old-age and survivors insurance be extended to provide cash benefits, including provision for a worker's dependents, during permanent total disability, and that such cash benefits be provided also during brief periods of incapacity due to sickness or in the early period of disabilities which may prove permanent. Provisions for both types of disability benefits should be closely coordinated and careful consideration should be given to unifying administration.

The Board also recommends social insurance provisions to pool costs of medical and hospital care commonly borne by families and individuals. Through agreements with assistance agencies, such arrangements might also be used to finance care of recip-

ients of assistance. Administration of medical care insurance should be decentralized, should be worked out in collaboration with the professions, agencies, and institutions concerned, and should be guided by advisory councils composed of representatives of contributors and of the groups which furnish medical services.

A Comprehensive and Unified Social Security Program

The Board's recommendations for Federal and State action in public assistance would result in establishing, in each State, a comprehensive unified program open to all needy persons in the State whatever the reason for their need.

The recommendations for social insurance include measures which could be carried out by States acting alone or by the States and the Federal Government in collaboration or by Federal action.

The Board here reaffirms the belief expressed in its preceding *Annual Report* that the most effective and economical way to provide social insurance in the United States is through a single comprehensive national system, affording a basic minimum protection, with which special or additional programs would be coordinated. Such a system should not impair the protection under existing systems but should strengthen and complement present social insurance protection and extend it to many persons who now lack it.

A comprehensive basic system should afford insurance against involuntary loss of earnings for all the common reasons not within the control of individual workers—temporarily, during sickness or involuntary unemployment of the breadwinner, or for longer periods, during permanent disability or old age or at the worker's death. It should include medical care insurance. It should cover all gainfully occupied persons and their dependents, except that unemployment insurance and temporary disability

insurance, at least for the first few weeks of disability, cannot suitably be provided for self-employed persons since there is no practical test of their loss of earnings through "unemployment" or in brief periods of disability. Self-employed persons, however, should be covered by insurance against old-age dependency, death, permanent disability, and medical costs.

Such a system, established under Federal law, should be decentralized, operating through local offices. Advisory councils and appeals bodies—local, State, or Federal—should afford representation of the general public, workers and employers, and groups with a special interest in particular aspects of the program, such as the medical and related professions and the hospitals.

Workers and employers would deal with a single office for any aspect of the program. Only a single employer report and contribution would be required for social insurance purposes, and only a single wage record would need to be maintained for an individual. Employers who do not ordinarily keep wage records or make wage reports, including housewives who employ domestic workers and farmers with hired hands, could use a stamp-book system to pay and record contributions. For self-employed persons, reporting could be geared in with income-tax reporting.

Because the great majority of the population would be covered by such a comprehensive system, a Government contribution from general tax funds, as well as employer and employee contributions, would be warranted. Much of the cost of the additional forms of insurance proposed in the report, whether included in a single basic system or effected in other ways, would represent primarily a redistribution of costs now borne directly and with far greater difficulty by families which suffer sickness and disability, or borne by taxpayers to support public services and assistance for the needy.

Looking Ahead in Public Assistance

By George E. Bigge*

IN RECENT MONTHS there has been much discussion of the need for improving social insurance, both unemployment insurance and insurance against other risks, but provisions for public assistance have received relatively little attention. While comprehensive and liberal insurance provisions would greatly decrease the need for public assistance, at present public assistance constitutes the chief source of aid for needy persons. Even if the insurance programs are extended and improved, it will be some years before insurance equals or exceeds assistance in importance as a means of providing for old people or for the widows and children of workers who die. Moreover, since insurance benefits reflect the worker's past earnings and are fixed in relation to the average situation, there will always be exceptional cases in which public assistance is essential. It is important, therefore, to examine our public assistance program both as to philosophy and as to method to see whether it is adapted to the functions which the public will expect of it.

We are inclined to pride ourselves on the progress we have made in recent years in the public assistance program in getting away from the old poor-law concepts of relief giving. We refer to the "means test," in the form in which it was—and still is—administered under the poor laws, as something quite abhorrent. We like to think that "assistance" is now provided to needy persons as a matter of right, without any tinge of pauperism. Under the Social Security Act, payments must be made in cash; no more relief in kind with its humiliations and its abuses! No longer does the welfare worker attempt to tell the recipient where he shall live, what he shall eat, and wherewith he shall be clothed. The payments must be "non-restrictive"; once the amount of the recipient's payment is determined, he must be left free to use it just as any other citizen of the community uses his income.

Undoubtedly these changes represent, in principle at least, a great achievement. But how far is this philosophy reflected in the detailed regulations and procedures, and

methods of operation? To what extent have we relieved the applicant or recipient of assistance—and members of his family—from the humiliations and irritations of "poor-law" procedures? What do we mean when we say public assistance is based on right, and are we sure that this right is understood, and recognized? If not, what do we need to do to make it effective?

Whose Right to Assistance?

Let us ask ourselves first, who enjoys this right? Apparently not everyone. The first and most obvious reason is that we are dealing here only with persons who are found, on investigation, to be in need; they have a right to look to the community for assistance to meet their need. But the agency's definition of need will frequently—and necessarily—be much more restrictive than that of the individuals concerned. Also, if need is determined for each individual, by visitors who make independent judgments concerning what different individuals need, the amounts granted will vary considerably. Yet presumably all applicants have the same rights.

And apparently not all persons who are found to be in need have such a right to assistance. So far as the Federal Government is concerned, funds are available only for certain groups of needy persons—the blind, the aged, and children whose parent is dead or incapacitated or absent. For a time the Federal Government furnished funds for work relief for able-bodied needy persons, but it does not now. In most States the concept of assistance is somewhat broader than that of the Social Security Act, but in many cases the local community alone must care for needy persons who are not in the specified categories; and since local funds are often not available, such people may receive little or no help. The right to assistance in these communities is thus limited to certain groups. For the remainder, the poor-law concept is still in effect.

To see what this limitation means, we have only to compare the treatment accorded these special categories with that available for persons who are not in the favored groups. In

1943, according to the best figures available, two States spent 70 times as much for aid to the aged as they did for needy persons under 65 who had to rely on general relief or assistance. Of course, we ordinarily think that people under 65 should be able to look after themselves when plenty of jobs are available. But there are always several millions of persons in the United States who are partially or totally unable to work for longer or shorter periods of time, and in such States these persons get very little attention. If we look at the State which had the largest per capita expenditures for general assistance in 1943, we find that it spent almost as much on general assistance as on old-age assistance, rather than one-seventieth as much, as in the States mentioned above. Probably the relative need of these groups is not greatly different in the several States. Yet in the one State, people under 65 have about the same right to public assistance as those over 65, whereas in the others, the needy persons under 65 are almost completely ignored. They get not even poor relief.

The Right to What?

Even within the favored groups it is often difficult to see much evidence of a "right" to assistance. To what do the aged and the dependent children have a right? Ordinarily, established rights are clearly defined; the individual knows what his right is. But in public assistance, the right is qualified in so many ways, by so many different factors, that the individual can have no clear idea of what he is really entitled to. In many cases the best that can be said is that every applicant has a right to consideration and to equitable treatment.

And the right to equitable treatment may be further qualified in many States where assistance funds are so limited that it is impossible to meet even the minimum needs of all who are eligible. Of course, funds will always be limited as compared with the amounts that *could* be used for this purpose, but in some cases the limitation is so serious that it largely nullifies the presumed right to assistance. In order to meet the situation the administrative agency is forced to do one of three things.

First, it may lower the estimate of the amount required for subsistence. But when we compare the amounts allowed in public assistance with a

*Member, Social Security Board.

subsistence budget determined for other purposes, it appears that in most cases these basic requirements cannot be reduced.

The second alternative is to put on the rolls only as many as can be given the payment determined to be necessary in each case. This results in waiting lists of persons who, though eligible, cannot get assistance because the funds have been obligated for those who got there first. Presumably, if investigation reveals that some of these new applicants are in greater need than some already on the rolls, the most needy will be given preference. But this is no solution. It will mean, for example, that two persons who need and have been getting \$20 a month each, must, without any change in their circumstances, be taken off the rolls in order to put on a new applicant who needs \$40 a month. At best such a policy results in meeting only the greatest need and ignoring the rest, though one person's need for \$20 may be just as acute as another's need for \$40. At worst the result is to set up a list of preferred claimants whose needs, as determined, are met in full, while all others are placed on the waiting list and get no assistance. At times during the last few years some States have had as many people on waiting lists as were actually receiving assistance. To those on the waiting lists certainly the right to assistance means little or nothing.

The third alternative is to reduce all payments in accordance with the lack of funds. This can be accomplished, as mentioned before, by readjusting the basic allowance, but aside from being extremely cumbersome this method is rather unrealistic, since the allowance is frequently very low already and there has been no change in the need. So the adjustment is usually made by paying only a specified proportion of the amount the agency finds needed by the individual. In recent years some State agencies have regularly paid only a portion, in some cases as little as half, of the actual budgeted need. According to recent surveys, more than 50 percent of all the payments in aid to dependent children have been in amounts less than the established need. Only two States met need, as determined, for 90 percent or more of the families aided. In one State, it

has been standard practice until recently to deny aid to dependent children to any family which had resources equal to 30 percent of its need. How significant is the "right" to assistance payments in such a case?

The only recourse for persons who think they are being unjustly treated is to appeal the agency's decision. Every State has set up procedures for hearing such appeals—this is one of the requirements of the Federal act. It is doubtful, however, that all who feel themselves aggrieved are aware of their right to appeal; or if aware, whether they know how to go about it to get a reconsideration. And even if we assume that an appeal is taken, what is the agency to do? If it appears that the decision was unwarranted, it may be reversed and the applicant may be put on the rolls. But if the situation was due to lack of funds, someone else must be taken off or must receive less.

Determining Need

In setting the amount of the assistance payment, another type of difficulty arises which may be equally serious because it goes to the heart of the present procedures and affects a large proportion of all recipients and members of their families. The amount of the payment is related to the need of the individual; that is basic to our conception of public assistance. This assistance is not a flat payment to all persons in a specified group—although the provisions of a few State laws tend in that direction. Public assistance is designed to meet individual need and therefore the need must be determined in each case. The Social Security Act limits the amount which the Federal Government will share equally to \$40 a month for the aged and the blind and even less for dependent children, and most State laws fix similar limits for individual payments.

But these amounts are commonly only maximums; the actual amount is determined by considering the requirements of each individual, and the resources available to meet these requirements. This balancing of requirements and resources is usually accomplished by preparing a budget for every applicant. Here is where the difficulty arises. While it is essential that each individual's need be determined, it appears that in the application of this budgeting procedure—in connection with requirements as well

as resources—an agency's practice is likely to come into conflict with the basic objective of making public assistance a right, as distinct from a relief program, and of doing away with the odious household means test.

The Applicant's Requirements

To see what happens, let's look first at the requirements side of the determination. Since funds are limited, obviously the individual cannot be allowed to determine for himself how much he shall receive; this is the function of the agency. Although a budget is made for each individual, and although the payment granted is an over-all amount, no part of which is required to be spent for any specified purpose, in the last analysis it is the agency rather than the individual who decides which wants shall be taken into account in fixing the amount of the payment and how much shall be allowed for the several items. And since the representative of the agency which approves the grant refuses to put certain items into the budget and limits the amount for other items, the recipient may be pardoned if he gets the impression that the payment is intended to cover expenditures represented by the "approved" budget. When the recipient feels himself so entirely dependent on the discretion of the visitor, it is doubtful whether he is conscious of that freedom of choice which public assistance, granted as a right, is supposed to give him.

The situation is aggravated by the fact that the vast majority of payments in all but a few States are below the amount specified in the State law as the maximum which may be paid to an individual. This maximum is the only amount mentioned in the law, and an applicant easily gets the idea that this is the amount for which the agency's visitor may find him eligible. Furthermore, the circumstances of most applicants are such that what appear to them perfectly reasonable requirements would easily equal or exceed the amount specified. If, then, after extended discussion, in the course of which it is indicated what may be included in the budget and what may not, and how much may be allowed for certain items, the amount granted is well below the maximum, the applicant almost inevitably feels that, whether it is intended or not, the budget technique, and indeed the whole investiga-

tion procedure, is a device for giving him less than the law allows. The fact that he may spend the limited amount as he sees fit will probably be less important in his mind than the fact that in arriving at that amount the agency refused to recognize wants which seemed to him important, and the recognition of which would have brought his payment up to the amount specified in the law.

To say this is not to ignore or to understate the value of the budget technique in determining the amount necessary for a given plane of living and in estimating the additional amounts necessary to meet needs in special cases. It is intended only to point out the dilemma with which we are confronted in administering public assistance according to these new concepts. To protect the individual's right to live as others do, we emphasize the unrestricted grant and the cash payment. But in determining the amount of the payment—except as this may be specified in the law—the agency will necessarily exercise its own judgment as to how far an individual's wants shall be recognized. Although the payment is not "restricted" to the recognized purposes, the agency's decision on this matter determines the amount of money the individual gets.

The recipient, therefore, is faced with the often unhappy choice of conforming his living to what seems reasonable to the agency, or of giving up what all will concede to be essential in order to satisfy his desire for what seems to him equally important. Of course it is inevitable that there should be such a balancing of wants. It occurs in the expenditure of any limited income. But it is unfortunate that, by using the individual budget in every case, the agency should appear to be establishing an "approved" pattern of expenditures, when in fact all it is doing is determining an over-all amount which the individual may spend as he chooses.

What Anybody Needs

Perhaps if we recognize this fixing of an over-all amount as the basic function of public assistance and build upon it, we shall find at least a partial solution of our dilemma. If the purpose of public assistance is, fundamentally, to give the recipient a sum of money which he may use as he sees fit in meeting his need, then presumably we shall begin by determining

not what is necessary to meet the need of a particular individual according to his own peculiar circumstances, but what is necessary for an *ordinary* individual, for the "average" individual, at a particular time and place. A determination of particular requirements would then be necessary only for those who wish to establish their claim to more than the ordinary needs.

This procedure would be entirely in harmony with the objectives of a good social security program. If a comprehensive social insurance program covering all gainfully employed persons were in full operation, the vast majority of individuals who become old or disabled, and the survivors of those who die, would draw insurance benefits. These benefits would not be related to the peculiar needs of the individual; they would presumably be so adjusted that the usual benefit would meet the major needs of the ordinary, average individual. They would reflect the responsibility which the community has undertaken for any person in similar circumstances. Public assistance would be used only in exceptional cases. When our social insurance program began, a large part of the population was excluded from coverage. Its social insurance benefits, moreover, could never be available to persons who had already become old or disabled or had lost their means of support through death of the family breadwinner. It therefore has been necessary to use public assistance alone to meet the needs of such persons. But there is no reason why the amount of the assistance payment could not be fixed in a way similar to that used in determining the range of insurance benefits—on the basis of the usual needs of the average individual. Detailed investigation would then be necessary only in unusual cases.

To refer to the "average" individual is to invite the wrath of those who insist that there is no average person, that each person is a different individual, and that the purpose of modern assistance is to protect the recipient's individuality. This point is wholly valid within limits. However, so long as only a limited amount of money can be given, the recipient's individuality and independence will probably be much better protected if he is assured a minimum income, not as a *particular* individual but as *any* individual—this minimum

to be his without any questions asked—than if the amount is determined only after a detailed discussion of what may or may not be considered in fixing the amount of his particular payment. The measure of the individual's independence will depend in the main on the adequacy of this guaranteed minimum to meet his needs. If the amount is woefully inadequate in most cases, then public assistance means relatively little more than "poor relief." All will feel it necessary to discuss their own special needs in the hope of getting more money. But if the assured minimum—including, of course, the individual's own resources—is reasonably adequate, then it is clear that the large majority of recipients will be able to meet their needs in their own way without having to discuss the purpose for which aid is given or the way in which their income may be spent.

A public assistance worker recently cited a case which illustrates this point. The worker had prepared a budget for an old woman who had long been in need. In the preparation of the budget, a small amount was included for church and other similar purposes, and a few small items for personal needs. The applicant was overjoyed to think that she would now have a few pennies to use for these purposes, as other people had. When the budget was completed, it amounted to some 40-odd dollars. Then, because of limited funds, the actual grant was \$20, barely enough for rent and essential food.

The applicant was dumbfounded to find that the amount finally allowed made absolutely no provision—from her point of view—for all of the little items, such as church donations, that had been discussed. It is doubtful that anyone could convince that woman that public assistance is a *right* in the sense in which we like to use the term. Wouldn't it have been better if she had been assured a minimum income—whatever the available funds made possible—without discussing all the little items which should appear in a reasonable budget, but for which the grant could make no provision whatever?

The Applicant's Resources

If we look at the other side of the problem, evaluation of the individual's own resources, similar difficulties appear. It is obviously necessary, if

public funds are to be used for an individual's support, to take that person's own resources into account. Few would think of paying assistance to persons who are regularly employed or who have "adequate" income from other sources. But beyond that point, the issue becomes confused and various questions arise.

The question whether a specified amount of income should be exempt from consideration, which has received so much attention in recent years, is really of minor importance. In the main, the answer depends on whether or not we will have sufficient public funds to care for persons who are really destitute, if some of the funds are used to help those who have substantial income of their own. In practice a much more important question is what shall be considered as income for the applicant?

In this area we run into some of the worst features of the "means test." The objection to the means test is not so much that it requires taking account of an individual's own income in determining the amount of assistance he will get; the chief objection is that in practice the means test is applied not only to the applicant, but to other, self-supporting members of the household or family in which the applicant lives. This problem persists in the administration of public assistance for all applicants who live with others and, so far as I know, no entirely satisfactory procedure has been developed.

Relatives' Responsibility

Consider, for example, the case of a woman who has been living with her son's family for some years. When she reaches age 65 and applies for public assistance, will she be eligible? Or will the agency feel that since she will continue to live with her son as she has in the past, she has adequate income and is not entitled to public assistance? Suppose the son says he has helped her in the past because there was no alternative. She had no income, and public assistance was not then available, so he had to care for her. But now, since she has reached 65, he feels that she has a right to public assistance and should receive it so he can use his income for his own children. If payment is refused, as it will be under many laws, what becomes of the mother's right to assistance? Or if the agency attempts to provide for her by requiring the son

to support her, what becomes of his right to dispose of his own *earned* income as he wishes?

Or take the case of an unmarried son living with his widowed mother who has her home but no other income. He wants to save his money to get a start in the world and thinks his mother should get public assistance. He sees the neighbor, whose son is away working his way through school, getting assistance—why not his mother? Hasn't she a "right" to assistance? If she applies, will she be eligible, or will he be expected to support her, in whole or in part?

If the agency insists on considering his earnings as the family income, or requires him to contribute more than the cost of room and board, again the means test appears in its most objectionable form. Under some procedures the agency, in determining the amount which the son can be expected to contribute, undertakes to specify the other purposes for which he may use his earnings. Is such procedure compatible with the idea of public assistance as a right? Are we not denying the mother's right to assistance by applying the "means test" to her son? If funds are inadequate, of course, there may be no better alternative, but in such a situation can we say that public assistance is regarded as a right?

Such action is often defended on the grounds that a son *should* support his mother; it is good for him and good for her to maintain this relationship. Public assistance, it is contended, should not destroy family responsibility. But is it at all certain that enforcing such a policy will promote good family relations? Isn't it possible that a little more independence on the part of both mother and son would be better for both of them and would promote better relations? Isn't it true, as Mr. Bevan said in the English Parliament recently in debating this very question, that by applying the means test in this way we are making it profitable for boys to leave home?

But we sometimes go even farther. Some State laws require specified relatives to support the applicant if they are able to do so, even though they are not members of the same household, and the public assistance agency is required, or at least expected, to enforce this "relatives' responsibility" for persons who receive assistance. Is it the proper function of a public as-

sistance agency to enforce such a policy? The agency's primary function is to determine the amount of money needed by the applicant in order to meet some specified standard of welfare. If resources are not available—even though according to law they should have been provided by relatives—the agency must presumably find the applicant in need. It would seem that the problem of enforcing the provisions regarding relatives' responsibility, if these are retained, would better be handled by some community agency whose function it is to enforce such obligations imposed on individuals, rather than by an assistance agency.

The policies followed by State agencies in this respect vary widely. In some instances, if an individual has relatives who are legally responsible for his support, assistance is denied on the assumption that support will be provided, without regard for the cases in which the relatives actually make no provision or give much less than the agency would otherwise have provided. In other instances the agency may attempt to secure agreement by responsible relatives to make certain contributions and adjust its public assistance payment accordingly. In still other instances, the agency accepts full responsibility for seeing that contributions are made.

In any of these situations, however, the State rejects at least in part the responsibility which it has presumably accepted under the public assistance law. Even if the agency does see that the necessary contributions are made by the relatives, is this support any better than charity? While no one will deny or belittle the value of family solidarity and responsibility and mutual assistance, it is doubtful that the benefits of such family feeling can be secured by compulsion. To deny assistance to an otherwise eligible individual because some relative is "responsible" for his support, when in fact the support is not provided, is to nullify the concept of right on the part of the applicant.

Realizing Public Assistance Objectives

In pointing out these flaws in public assistance, there is no intention to underestimate its achievements. Undoubtedly we have made tremendous progress in both the conception and the administration of a program designed to meet the need of important

groups in the community in a way that protects their self-respect and human dignity. The purpose of this discussion is to call attention to certain further steps which are necessary if we are to realize in practical operations the objectives we have set for this program. In conclusion these steps may be stated about as follows:

In the first place the law should guarantee a minimum income—as a few laws already do—including the public assistance payment and the individual's own resources, so that an applicant would know that he can depend on this much at least. It is impossible to say just what that minimum should be; that would be for each State to determine according to its own circumstances. And the amount may not be uniform throughout the State. For example it may be adjusted to take account of differences in the cost of living in various regions, large cities as against rural communities, and for differences in the living arrangements of different groups. The minimum for persons living alone might differ, for example, from those for persons who live with husband or wife or in a larger family group. But unless the law puts some substance into the concept of right, that concept is quite ethereal. Some States already provide such a minimum, but in too many only the maximum is specified, and actual payments are so much less than the maximum in most cases that the individual has little idea of what he may really expect. As long as only the maximum is specified in the law, and actual payments are substantially less, the recipient will regard the investigation and budgeting procedure, not as a means of *meeting* his own particular need, but as a device for paying him *less* than the amount mentioned in the law.

If the law assured a minimum over-all income, it would be possible to dispense with any detailed budgeting or investigation of the requirements in all cases where the individual had only the usual needs that were taken into account in fixing the standard amount. In such cases, it would be necessary only to determine the other resources actually available to the applicant. Detailed budgeting would be necessary only in those cases where the applicant claimed a need greater than the ordinary. This greater need might be due to any circumstance which was not taken into account in fixing the standard allowance. To assure equitable treatment, money would need to be available to meet such additional, extraordinary needs. Now the reverse is true in too many States. Needs are carefully budgeted only up to a specified maximum—or if additional needs are recognized at all in the budget, they are not met in most cases because of the maximum. Not much is gained by working out a budget of \$30 in one case, and in another, because of special need, a budget of \$75, if \$30 will be paid in both cases.

On the resources side, too, the investigation would be greatly simplified if we recognize, fully, the applicant's right to public assistance in all cases in which his own income and resources are below the specified level. Since the objective of public assistance is to provide reasonable security of income for the person concerned, we should take into account only such income as is reasonably assured. Ordinarily this is not difficult to estimate. If relatives do make contributions for the applicant's support, the amount would be taken into account, as would income from any other source. These

amounts, too, are not difficult to determine. If we eliminate the time-consuming and frequently annoying procedure of applying the household means test and the detailed investigation of relatives' ability and responsibility to support, the determination of resources would be relatively easy. And certainly such a step would avoid much of the criticism of public assistance investigations and would help greatly to maintain the dignity and self-respect of the recipient and his family.

The adoption of such a plan would mean, of course, that enough money must be provided so that there would be no waiting lists and no payments less than actual budgeted need or less than the minimum. The cost would be somewhat more than the present program in many States, but probably we can't have real security for the needy people among us, real freedom from want, without spending a little more money for that purpose. Some States might have difficulty raising the funds to do the job adequately—although it is by no means always the State with limited resources which has provisions such as relatives' responsibility. It is to help the States which really need financial aid in this respect that the Board has recommended varying Federal participation in accordance with the State's economic capacity. With such help, and with the protection afforded by an expanded social insurance program, it should be possible in this country to carry out an assistance program which would assure everyone an income sufficient to meet basic need without infringing on the self-respect and independence of either the needy individuals or the members of their families.

The Comparability of Public Assistance Payments and Social Insurance Benefits

By Jacob Fisher*

THE FACT THAT the average old-age assistance payment has been higher than the average primary insurance benefit for the past 2 years is occasionally offered as a commentary on the relative "adequacy" of the two programs. State averages in the two programs, similarly, are sometimes set down together to point up the smallness of the assistance average in some States or of the insurance benefit in others. Implicit in such comparisons is the assumption that the two averages are comparable, either in the purpose of the payment or its significance to the payee. To what extent is this assumption tenable?

The present article examines data recently made available on the personal characteristics and income of insurance beneficiaries and assistance recipients in Philadelphia and St. Louis, with a view to appraising the significance of the benefit or the assistance payment to them. The information on insurance beneficiaries is derived from the study conducted by the Bureau of Old-Age and Survivors Insurance in seven cities in 1941 and 1942,¹ that on recipients of old-age assistance and aid to dependent children, from special tabulations prepared on request by the Pennsylvania Department of Public Assistance and the Missouri State Social Security Commission.² For Philadelphia the public assistance data relate to December 1941, the insurance data, to a 12-month period ending between

May 1941 and July 1941. In St. Louis the assistance data are for October 1942, the insurance data, for 12 months ending in either October or November 1941. The extent to which these variations in time may have influenced the findings on income is discussed later.

Personal and Family Characteristics

In both Philadelphia and St. Louis, insurance beneficiaries and public assistance recipients were strikingly unlike in the relative number of men and women receiving payments, in race, and in family size.

Sex.—Since relatively few women in their sixties are members of the labor force, most of the workers who qualified for old-age insurance benefit were men. Men comprised 84 percent of the primary beneficiaries in Philadelphia and 86 percent in St. Louis. Among old-age assistance recipients, on the other hand, the sex distribution tends to follow that of the aged population in the city as a whole. Only 45 percent of the Philadelphia and 43 percent of the St. Louis recipients were men.

The contrast is somewhat reduced, of course, when account is taken of the entitled wives of primary beneficiaries. Including such wives, the proportion of women among aged insurance beneficiaries rises from 16 to 33 percent in Philadelphia and from 14 to 33 percent in St. Louis.

Sex	Census ¹	Old-age assistance	Old-age insurance
Philadelphia			
Total.....	100	100	100
Male.....	44	45	84
Female.....	56	55	16
St. Louis			
Total.....	100	100	100
Male.....	44	43	86
Female.....	56	57	14

¹ Persons aged 65 and over, 1940.

Race.—Relative to their numbers in the population, Negroes were over-

represented on the assistance rolls and underrepresented on the insurance rolls. In both cities, about three times as many Negroes were receiving old-age assistance as might have been anticipated from their proportion in the population aged 65 and over; among primary insurance beneficiaries, by contrast, there were only half as many. Somewhat similar contrasts are presented by families receiving aid to dependent children as compared with families containing widows and children entitled to survivor benefits.

Race	Census ¹	Old-age assistance	Old-age insurance	Census ²	Aid to dependent children	Survivor insurance
Philadelphia						
Total.....	100	100	100	100	100	100
White.....	93	70	96	71	31	92
Nonwhite..	7	24	4	29	69	8
St. Louis						
Total.....	100	100	100	100	100	100
White.....	92	74	96	70	35	86
Nonwhite..	8	26	4	24	65	14

¹ Persons aged 65 and over, 1940.

² Families with female heads and 1 or more children, 1940.

The small proportion of Negroes among insurance beneficiaries reflected, of course, their special handicaps in qualifying for benefit. Relatively more Negro than white workers are in domestic service and other non-covered occupations. Negroes, in addition, tend to have somewhat longer spells of unemployment and are less likely, therefore, to acquire sufficient quarters of coverage to qualify for benefit.

Family Size

In both Philadelphia and St. Louis, families with primary beneficiaries tended to be larger than families with old-age assistance recipients. Sixty-five percent of the old-age assistance families in Philadelphia and 43 percent in St. Louis were one-person families, as compared with 19 and 17 percent, respectively, of the primary beneficiary families. In both cities, two-person families were relatively more numerous among insurance beneficiaries, and families of three or more persons were encountered almost twice as frequently among insurance beneficiaries in St. Louis

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¹For a discussion of the findings from the surveys, see the *Bulletin*, July 1943, pp. 3-20, and September 1943, pp. 3-17.

²The data are derived from samples—for old-age and survivors insurance, 32-34 percent of the primary awards and 41 percent of the widow-child entitled awards made in the first half of 1940 in Philadelphia, and 48 and 52 percent, respectively, of the awards in the calendar year 1940 in St. Louis; for public assistance, 5 percent of the households getting public assistance in Philadelphia in December 1941, and 7 and 12 percent, respectively, of old-age assistance and aid to dependent children cases in St. Louis in October 1942. So far as can be judged from an examination of the schedules and instructions, the terms "family," "children," and "income" (except as qualified) have approximately the same meaning in all 4 sets of data.

Table 1.—Percentage distribution of families including old-age assistance recipients or old-age insurance beneficiaries, by size of family

Size of family	Philadelphia		St. Louis	
	Old-age assistance	Old-age insurance	Old-age assistance	Old-age insurance
Total, number of persons in sample.	18,522	400	823	641
Total, percent . . .	100	100	100	100
1 person	65	19	48	17
2 persons	22	32	28	41
3 or more persons	13	49	24	42

and almost four times as frequently among beneficiaries in Philadelphia (table 1).

The greater frequency of one-person families among recipients of old-age assistance is related in part to the selective character of the eligibility conditions. Unattached individuals and persons from broken families are much more likely to be without resources, i. e., to be needy, than members of normal family units, and relatively more of them may be expected on the old-age assistance rolls than in the general population. Some agency policies have the effect of encouraging separate living arrangements for the aged. If, in determining need, requirements and resources are measured on a family basis, an aged applicant may find himself ineligible for aid when living in a family group but eligible when living alone.

Another factor making for small families among assistance recipients is the association of age of family head and size of family, noted in the Board's family-composition study. That study found that the proportion of family heads that were members of one-person families increased in Philadelphia from 39 percent in the age group 65-69 to 63 percent in the age group 80 and over; in St. Louis, from 37 percent to 60 percent.³ At the time of the old-age and survivors insurance survey, a majority of the primary beneficiaries in both cities were aged 65 and 66. No data are at hand on the average age of old-age assistance recipients, but it could not have been very much below the

estimated average of 75 years for the country as a whole.

Fewer contrasts in size of family are presented by families with child beneficiaries or recipients. Two-person families were relatively more numerous among assistance families in Philadelphia, but about equally represented in St. Louis. Families with five or more persons accounted for 29 percent of the assistance families and 28 percent of the insurance families in Philadelphia; in St. Louis the proportions were 43 and 33 percent. The number of persons in the median family with survivor benefits was four in both cities; it was three in the median assistance family in Philadelphia and four in the median assistance family in St. Louis (table 2).

Program differences in eligibility would lead one to expect that families receiving aid to dependent children would be somewhat larger. Children receiving survivor benefits have lost their father. Children with an incapacitated father in the home, on the other hand, may be eligible for aid to dependent children in both Pennsylvania and Missouri. In Pennsylvania incapacity is defined to cover any condition, total or partial, expected to last 3 months or longer, which renders the parent unemployable during this period or employable only in an occupation not at present available, or, if he is employed or engaged in an enterprise with earnings insufficient to support his family, which handicaps him in obtaining more remunerative work or in supplementing his earnings by employment in other fields. Under this broad definition, a rather substantial proportion of children who qualify for aid have the father in the home. Missouri does not specify a minimum duration for incapacity, leaving this question for determination by local units. The father was present in 10 percent of the St. Louis sample families.

The presence of the father in some assistance families may be somewhat offset in the comparison by the greater likelihood that the family with survivor benefits will have earners as members. Employment of family members may disqualify a family for assistance but could have no effect upon eligibility for survivor benefits except for earnings of the beneficiaries themselves in covered employment. In St. Louis, 60 percent of the insurance families included persons other

Table 2.—Percentage distribution of families receiving aid to dependent children and families of widow and entitled children receiving survivor benefit, by size of family

Size of family	Philadelphia		St. Louis	
	Aid to dependent children	Survivor insurance	Aid to dependent children	Survivor insurance
Total, number of persons in sample.	16,149	64	333	120
Total, percent . . .	100	100	100	100
2 persons	28	16	14	13
3 persons	25	28	24	33
4 persons	18	28	19	21
5 or more persons	29	28	43	33

than beneficiary children and mother; the corresponding ratio for assistance families was 56 percent.

Income

Probably the most striking contrast between insurance beneficiaries and assistance recipients is in their income levels.⁴ In both Philadelphia and St. Louis the average beneficiary family reported a substantially higher income than the average assistance family. The excess is not due to the insurance benefit but to other sources of family income. In Philadelphia, as a matter of fact, the average income from insurance benefit was somewhat below the average from public assistance.

In both cities, families containing old-age assistance recipients had a median monthly income of \$30-40 from all sources (table 3). The median for families containing primary insurance beneficiaries was \$75-100 in St. Louis and more than \$100 in Philadelphia. Data available only for Philadelphia show a similar margin of difference in families with recipient or beneficiary children; the median was \$40-50 in families receiving aid to de-

⁴ The income referred to, with few exceptions, is cash income. The insurance beneficiary study put a cash value on rental paid by a relative outside the household, on regularly contributed clothing, meals regularly taken at a relative's, and on rent or food received as wages. Such income in kind was reported, however, in perhaps 1 case in 20 and would not seriously affect the comparison. The public assistance studies counted only income received in cash. It is not known how many public assistance families also received income in kind or how significant such income may have been to them.

³ Table 10 in Vol. 6 (Philadelphia) and in Vol. 8 (St. Louis), *Statistics of Family Composition in Selected Areas of the United States, 1934-36*, Bureau Memorandum No. 45, Bureau of Research and Statistics, 1942.

pendent children but more than \$100 in families of widows with entitled children.

Income From Public Assistance and Old-Age and Survivors Insurance

Insurance and assistance families are much more alike in the size of the payment received than in the amount of income from other sources. Benefits (primary and supplementary) of families containing primary beneficiaries averaged \$25 per month in both Philadelphia and St. Louis. Old-age assistance payments averaged \$26 in Philadelphia and \$16 in St. Louis. Families containing widows with entitled children received an average monthly benefit of \$40 in both cities, while the average monthly payment for aid to dependent children was \$41 in Philadelphia and \$32 in St. Louis.

The principal reason for the uniform amount of the average insurance benefit in the two cities is the national

character of the insurance program. Benefits in every part of the country are awarded under one law, one policy, one set of rules and regulations. The variables are the wage level in covered employment, length and regularity of such employment, and number of family members entitled to benefit on the same wage record. The influence of variations in wages and employment is, however, minimized by the benefit formula. Other factors making for uniformity in the Philadelphia and St. Louis averages are the similar incidence of female primary beneficiaries (16 and 15 percent, respectively) whose generally lower benefit tends to reduce the average, and of male primary beneficiaries with entitled wives (32 and 33 percent, respectively), and the circumstance that the survivor families in both cities tended to have the same average number of entitled persons.

Assistance payments, by contrast,

are based on individual need, and vary widely. Among families within a given jurisdiction they will vary to the extent that requirements and resources vary. Among jurisdictions, payments are influenced by variations in the recognition and measurement of requirements and resources, in the content and cost of living, in the availability of funds, and in willingness to appropriate money for public assistance.

During the period covered by the surveys, both the Philadelphia and the St. Louis public assistance agencies were using the State budget guide to measure requirements and resources. The two guides differed in the specific requirements taken into account, the amounts allowed for the same requirements, the treatment of requirements shared with other family members, and the criteria followed in establishing the applicant's resources.

Other differences also affected payments. In Pennsylvania the maximum age for aid to dependent children was 15 (17 if attending school), in Missouri 13 (15 if attending school). The maximum old-age assistance payments in Pennsylvania during the survey month were \$30 for one eligible person, \$50 for an eligible man and wife. Maximums in Missouri were \$30 and \$45. Pennsylvania imposed maximums on payments for aid to dependent children that varied among counties according to cost-of-living areas. The maximum allowances in effect in Philadelphia in December 1941 were \$34.75 for a two-person case, \$44.10 for a three-person case, and so on, up to \$88.00 for families of 10 or more persons.

The maximums in Missouri were \$18 for the first child and \$12 for each additional child, up to a family maximum of \$60. The effect of these maximums was particularly noticeable in families with one eligible child, in which the requirements as measured by the State manual totaled at least \$16.35 for food alone (infant and grantee woman relative), leaving only \$1.65 for shelter, clothing, and other necessities.

Inadequate State appropriations led Missouri to reduce old-age assistance grants by 30 percent in July 1941 for all recipients except those in boarding, nursing, and convalescent homes. The cuts were not restored until November and December 1942 and were in effect in the survey month.

Table 3.—Percentage distribution of families by amount of income from public assistance or old-age and survivors insurance and from other sources

Monthly income	Philadelphia		St. Louis		Philadelphia		St. Louis	
	Families containing aged persons receiving income from—				Families containing children receiving income from—			
	Old-age assistance	Old-age insurance	Old-age assistance	Old-age insurance	Aid to dependent children	Survivor insurance	Aid to dependent children ¹	Survivor insurance
All sources.....	100.0	100.0	100.0	100.0	100.0	100.0	-----	100.0
Less than \$10.....	1.4	1.3	.5	1.4	.1	-----	-----	-----
10.00-19.99.....	39.1	7.0	17.3	6.9	1.0	-----	-----	.8
20.00-29.99.....	30.3	10.0	14.0	8.6	28.6	3.1	-----	3.3
30.00-39.99.....	13.8	8.3	7.0	10.9	23.9	15.6	-----	8.3
40.00-49.99.....	9.1	11.2	9.0	14.5	33.9	10.9	-----	15.0
50.00-74.99.....	4.4	10.7	5.2	10.0	10.4	18.8	-----	13.3
75.00-99.99.....	1.9	51.5	14.8	47.7	2.0	51.6	-----	59.2
100.00 or more.....								
Public assistance or old-age and survivors insurance ¹	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than \$10.....	1.8	3.5	4.5	7.4	.9	-----	.8	1.7
10.00-19.99.....	7.9	26.0	41.1	24.8	3.6	-----	38.9	8.3
20.00-29.99.....	40.1	44.7	30.6	35.6	5.6	9.4	5.1	15.0
30.00-39.99.....	33.6	18.0	10.4	21.4	32.4	32.8	25.4	30.8
40.00-49.99.....	11.3	6.5	2.7	7.8	25.0	34.4	15.2	17.5
50.00-74.99.....	4.8	1.3	1.0	2.8	28.3	17.2		25.0
75.00-99.99.....	.5		.5	.2	4.2		14.4	1.7
100.00 or more.....			.2					
All other sources.....	100.0	100.0	100.0	100.0	100.0	100.0	-----	100.0
None.....	76.4	2.3	41.2	2.7	74.9	6.3	-----	6.7
Less than \$10.....	6.6	7.5	14.5	7.0	4.9	12.5	-----	5.8
10.00-19.99.....	6.2	10.5	10.2	11.9	5.9	6.3	-----	7.5
20.00-29.99.....	2.2	7.5	6.8	8.9	4.9	3.1	-----	8.3
30.00-39.99.....	1.6	5.2	3.5	6.1	2.2	3.1	-----	3.3
40.00-49.99.....	1.2	4.8	2.8	4.8	1.4	12.5	-----	5.0
50.00-74.99.....	3.6	10.0	5.0	10.5	4.9	10.9	-----	18.3
75.00-99.99.....	1.7	10.2	3.0	7.7	.4	9.4	-----	10.0
100.00 or more.....	.5	42.0	13.0	40.4	.4	35.9	-----	35.0

¹ White families only, data available for income from public assistance only.

² Income included in this section is from public assistance for public assistance families, from old-age and survivors insurance for beneficiary families. Insurance benefit income received by public assistance families and public assistance income received by beneficiary families are included in section "All other sources." Public assistance income is from all forms of public assistance including the 3

special types, general assistance, food stamp plan, and Federal work programs. (Income from Federal work programs received by public assistance families was classified by the Philadelphia agency, however, as income from other sources.)

³ Minimum primary benefit is \$10. Families with average insurance income of less than \$10 per month experienced benefit suspensions for varying periods because of earnings of \$15 or more in covered employment.

Among the specific factors affecting the relation of average insurance benefit and average assistance payment within the same city were, first, the fixed ranges within which payments could be made. Under old-age and survivors insurance, the minimum benefit is by statute \$10. The maximum benefit in 1940 could not have exceeded \$41.60 for a primary beneficiary;⁵ \$62.40 for a primary beneficiary and entitled wife;⁶ \$83.20 for a total family benefit to a primary beneficiary and entitled children, or to a surviving widow and entitled children.⁷ In old-age assistance, the minimum payment was \$2 in both Pennsylvania and Missouri; in aid to dependent children, it was \$2 in Pennsylvania and \$3 in Missouri. Public assistance maximums in effect during the study month have already been given.

Clearly, for both the aged and children, there is considerable overlapping in the range of insurance benefit and assistance payment, which partly accounts for the lack of any great dissimilarity in the distribution given in table 3.⁸

The coincidence that in Philadelphia the average old-age assistance payment and the average family benefit in families containing primary beneficiaries were separated by only \$1 has no significance in itself. The \$25 average for the insurance benefit resulted from several variables—monthly average wage in covered employment, the proportions of men and

Table 4.—Percentage distribution of 1-person families, by amount of monthly income from old-age assistance or old-age insurance

Amount of monthly income	Philadelphia		St. Louis	
	Old-age assistance	Old-age insurance	Old-age assistance	Old-age insurance
Total, number of families in sample	12,117	75	394	110
Total, percent.....	100.0	100.0	100.0	100.0
Less than \$10.....	1.0	4.0	4.1	11.8
10.00-19.99.....	6.8	37.3	49.7	43.6
20.00-29.99.....	54.8	53.3	45.7	38.2
30.00 or more.....	37.4	5.3	.5	6.4
Percent without other income.....	89.4	5.3	61.2	6.4
1-person families as percent of all families in survey.....	65.4	18.8	42.7	17.2

women among primary beneficiaries and of beneficiaries with entitled wives. The \$26 average in old-age assistance was determined primarily by the \$30 value placed by the assistance agency on the requirements of an aged person and by the fact that three out of four assistance families had no other income and were presumably eligible for the maximum. Since budgeting in Philadelphia is on a family basis and family requirements vary with size and composition, the relation of resources to the amount of the assistance payment can be seen best perhaps in one and two-person families, which accounted for 87 percent of all families with old-age assistance recipients.

Nine out of every 10 one-person families were without other income. We do not have a cross-tabulation of assistance and nonassistance income, but it would be safe to assume that few of the 37 percent of one-person cases who received the maximum award of \$30 had income from other sources. Another 55 percent received from \$20 to \$29. The rest, 8 percent, were in the under-\$20 class and presumably were among the 11 percent with income from other sources (table 4).

Almost two-thirds of the assistance families containing two persons had no income from other sources. Of all two-person families, 75 percent received assistance⁹ totaling between \$30 and \$49; another 7 percent received the maximum of \$50. In al-

most half the families, both persons were eligible for old-age assistance.

Similar examination, if space permitted, could be made of the data on families in St. Louis containing aged persons, and on families in both cities containing beneficiary or recipient children.

Income From Other Sources

The wide divergence in income between the average insurance family and the average assistance family is attributable entirely in Philadelphia and principally in St. Louis to the possession by relatively more insurance families of income from other sources, and to the larger average amount of such income.¹⁰ This difference is inherent in the character of the two programs; the insurance benefit is not conditioned on need and is paid regardless of any other income (except earnings of \$15 a month or more from employment in covered industry).¹¹

Of the families containing old-age assistance recipients, 76 percent in Philadelphia and 41 percent in St. Louis reported income from public assistance only. Only a handful of families with primary beneficiaries, on the other hand, were dependent on the benefit only—2 percent in Philadelphia and 3 percent in St. Louis. In Philadelphia, 75 percent of the families receiving aid to dependent children had no other source of income; comparable data are not available for St. Louis. For families

¹⁰ "Other income" was not always available to the assistance or beneficiary group within the family receiving it. Whether, in the aggregate, this condition was more prevalent in families containing assistance recipients than in those containing insurance beneficiaries is not known. The comparison in the text is qualified, of course, to the extent that one or the other condition was true.

¹¹ The larger income reported by insurance families is to only a slight extent a function of the larger family. When family size is held constant, the margin of income superiority of insurance families is not reduced significantly. Among 1-person families, for instance, 89 percent of the aged recipients in Philadelphia reported no other income, as compared with 5 percent of the primary beneficiaries. The corresponding ratios for St. Louis were 61 and 6 percent. None of the Philadelphia assistance recipients reported other income exceeding \$29. One-third of the primary beneficiaries in that city had other income of \$30 or more. In St. Louis, 2 percent of the aged assistance recipients, as compared with 30 percent of the primary beneficiaries, had other income of \$30 or more.

⁵ Primary benefit is the sum of: 40 percent of the first \$50 of average monthly wage in covered employment; 10 percent of the next \$200; 1 percent of the sum of the first 2 items for every year in which \$200 or more was earned in covered wages. In 1940 this formula, at the maximum, yielded \$41.60 (\$20 plus \$20 plus 4 times 40 cents).

⁶ Wife's benefit is 50 percent of primary benefit; maximum of \$62.40 cited is the sum of \$41.60, the maximum primary benefit, plus \$20.80 (50 percent of \$41.60).

⁷ Child's benefit is 50 percent of the primary benefit to which the deceased worker would have been entitled; widow's current benefit is 75 percent of the primary benefit. Total monthly benefits awarded on the basis of 1 worker's wages cannot exceed the least of the following 3 amounts: \$85, twice the primary benefit, or 80 percent of average monthly wages in covered employment. The \$83.20 cited as the maximum is twice the maximum primary benefit referred to in footnote 5.

⁸ The inclusion in table 3 of income from all types of public aid, rather than from the specific program only, affects primarily the upper end of the distribution.

⁹ From all public assistance programs, including aid to dependent children, general assistance, and blind pensions.

Table 5.—Percent of families with income from specified source, by type of recipient or beneficiary, St. Louis

Source of income	Old-age assistance	Old-age insurance	Aid to dependent children	Survivor insurance
Old-age and survivors insurance	1.6	97.7	1.8	100.0
Unemployment compensation	.4	13.9	.3	4.2
Old-age assistance	100.0			
Aid to dependent children	1.8	9.2	4.5	4.2
General assistance	2.1		100.0	2.5
Work Projects Administration		1.4		
Other Federal work programs	.9	1.4	2.1	1.7
Other public aid	1.2		52.6	15.8
Private and nonemergency government employment	37.7	60.6	60.4	80.0
Investments or property		40.7	1.5	35.8
Veterans' pensions, retirement pay, sickness and accident benefits		24.6		10.0
Private annuities or union pensions	22.4	3.4		4.2
Contributions from friends or relatives		8.9	13.5	7.5
Other		2.1	3.3	1.8

¹ Includes food stamp plan and aid to the blind.

² Blind pension.

³ Excludes 0.2 percent who received private assistance.

⁴ Includes all private insurance payments other than annuities.

⁵ Includes private assistance.

of widows with entitled children, on the other hand, only 6 percent in Philadelphia and 7 percent in St. Louis had no income in addition to the benefit.

The other income received by assistance families tends to be rather small. In Philadelphia, for instance, more than half the old-age assistance families with other income had less than \$20 a month from this source; in almost half the primary beneficiary families with income from other sources, on the other hand, non-insurance income amounted to \$100 or more per month. Forty percent of the primary beneficiary and 35 percent of the child beneficiary families in St. Louis, and 36 percent of the child beneficiary families in Philadelphia, reported income of \$100 or more a month from other sources (table 3).

A cross-tabulation of benefit income and other income is not available, but from an inspection of table 3 it would be reasonable to conclude that income from other sources exceeded benefit income in a substantial majority of families. Primary beneficiary families in both Philadelphia and St. Louis had a median income from ben-

efits of \$20-29; the median income from other sources was \$75-99 in Philadelphia and \$50-74 in St. Louis. Families containing widows with entitled children had a median income from benefits of \$40-49 in Philadelphia and \$30-39 in St. Louis; the median for income from other sources fell in the \$50-74 class in both cities.

Very few assistance families, on the other hand, had more income from other sources than from assistance. In Philadelphia, more than half the families in each of the assistance programs were entirely dependent upon the assistance payment. In St. Louis, old-age assistance families had a median income of less than \$10 from other sources, while the mean income for aid to dependent children families was \$32 from that program, \$10 from all other sources.

The most frequent source of other income was employment. Earnings by some member of the family were reported for 65 percent of the Philadelphia families with primary beneficiaries and 77 percent of the families with child beneficiaries; for St. Louis the corresponding percentages were 84 and 93. Among assistance families in St. Louis, 38 percent with aged recipients and 69 percent with child recipients reported income from earnings. Data for Philadelphia assistance recipients are lacking, but we know that only 13 percent of the old-age assistance families and 33 percent of the aid to dependent children families had employable members.

Differences in family size and therefore in the number of potential earners affected the relative incidence of employment. In both Philadelphia and St. Louis, families with primary beneficiaries were larger than families with recipients of old-age assistance. Sex and race differences also had some influence. Aged women are less employable than aged men. Negroes find it somewhat more difficult than white persons to obtain employment. Both groups were more heavily represented among assistance than among insurance families.

The more frequent occurrence among insurance beneficiary families of income from employment may be partly due to the difference in the time span covered by the survey, which was 12 months for insurance families and 1 month for assistance families. A count during a single month excludes many persons not

then in the labor force who may find employment later in the year.

The chronological disparities, on the other hand, favored assistance recipients. In 1940, 1941, and 1942, employment opportunities increased progressively, especially for marginal groups. The public assistance survey month occurred 5 months after the close of the insurance survey year in Philadelphia and approximately a year after the survey year in St. Louis. That more employment was nevertheless reported by families of insurance beneficiaries is significant of the differences in the composition of the two groups.

Some insurance families reported income from assistance sources (public assistance, earnings under Federal work programs, assistance from private agencies), and some assistance families were in receipt of social insurance benefits. The proportion in each case was small. Twelve percent of the primary beneficiary and 14 percent of the child beneficiary families in both Philadelphia and St. Louis received assistance income during the survey year. More than half these families also reported income from other sources.

The number of beneficiary families that qualify for public assistance depends largely on local assistance standards. The Los Angeles sample included in the study of resources and living arrangements of beneficiaries of old-age and survivors insurance in seven cities showed as much as 27 percent of the primary beneficiaries reporting assistance income. At the time of the survey, the public assistance agency in California supplemented to a total of \$40 a month all income received by persons aged 65 and over who met State property and residence requirements.

Data on sources of other income for assistance families are available for St. Louis. Only 2 percent of the families—both those with aged and those with child recipients—also received benefits under old-age and survivors insurance. In both groups less than 1 percent reported income from unemployment benefits (table 5).

The fact that the social insurance sample was confined to new beneficiaries whereas the public assistance sample was drawn from the entire load should be borne in mind in appraising the significance of the data on "other" income. A resurvey of the beneficiary families at a later period

could conceivably show a deterioration in nonbenefit income as a result of changes in family composition, the loss of temporary sources of income, and the depletion of assets to supplement current income. In both Philadelphia and St. Louis, almost 3 out of 10 primary beneficiaries and 4 out of 10 entitled widows reported use of assets for living expenses during the survey year.

Conclusions

Though comparisons sometimes made between average assistance payment and average benefit under old-age and survivors insurance imply comparability, examination of data on family characteristics and income of public assistance recipients and old-age and survivors insurance beneficiaries in Philadelphia and St. Louis suggests that amounts paid under the two programs are quite unlike in their significance to the payee.

Somewhat more than half the recipients of old-age assistance were women, approximately one-fourth were Negroes. By contrast, nearly all primary beneficiaries were men, and less than 5 percent were Negroes. Two

out of every three families receiving aid to dependent children were Negro; Negroes comprised fewer than 15 percent of the families receiving survivor benefits. These contrasts reflected primarily differences in the employment opportunities available to men and women, to white persons and Negroes.

Families including primary beneficiaries tended to be larger than families containing old-age assistance recipients and to have more earners. Assistance families with child recipients were somewhat smaller in Philadelphia than insurance families with child beneficiaries but were about the same average size in St. Louis.

Income of the insurance families was substantially larger than that of the assistance families. The income advantage was due entirely to other sources of income in Philadelphia, where average assistance payments and average insurance benefits tended to be about the same. In St. Louis, average income from insurance exceeded that from assistance, and the insurance beneficiaries also had more income from other sources.

Most of the assistance families in Philadelphia and a substantial pro-

portion of such families in St. Louis were entirely dependent on public assistance. Families wholly dependent on insurance benefit constituted, by contrast, less than 5 percent of all primary beneficiary families in both cities and less than 10 percent of all families with child beneficiaries.

In a substantial majority of insurance beneficiary families, income from other sources exceeded income from insurance benefit. Very few assistance families, on the other hand, had less income from assistance than from other sources.

The extent to which these contrasts in the characteristics of the two groups are representative of the country as a whole is not known, but they are sufficiently marked to suggest that they have more than local significance. The differences in the groups, especially with respect to family income, cast doubt on the validity of evaluating the size of the average assistance payment by that of the average insurance benefit, or vice versa, or on the propriety of judging the "adequacy" of one by reference to the other, or of weighing both on a single scale of "adequacy," however constructed.

Life Insurance and Annuities on United States Lives, 1935-43

By Weltha Van Eenam*

LIFE INSURANCE AND ANNUITIES issued by insurance companies provide a medium for budgeting current income for protection against income losses due to death and old age. Some insurance and annuity policies are designed for protection against loss of income because of death and some provide life income only, but the large majority provide a combination of the two. More and more, the proceeds of death claims, maturing endowments, policyholders' dividends, and surrendered policies are being left with the companies to provide installment benefits. Under many of the policies, such benefits may well be considered as supplementary to old-age and survivors insurance benefits under the Social Security Act.

This article outlines major trends since 1935, when the Social Security Act became law, in insurance and an-

nuities on United States lives underwritten by some 350 life insurance companies of both the United States and Canada.¹ The business of fraternal and assessment associations and life insurance and retirement benefits under employee mutual benefit association plans and employer self-insured plans have been excluded, as have Government life insurance

¹ Statistics given in this article are based on aggregates from the *Spectator Insurance Yearbooks*, *Best's Life Reports*, the *Unique Manual Digest*, the *New York Insurance Reports*, the *Canadian Life Insurance Abstracts*, and from the companies' annual statements required by the State insurance departments, with adjustments noted in the tables. Some of the 1943 figures are based on information collected by the Institute of Life Insurance and on data published in the *National Underwriter*. At many points, estimates and judgment entered into derivation of the figures, and the results should be taken only as an approximation of magnitude and relationships.

and other governmentally administered programs.

Forms of Insurance

Ordinary insurance is the term used for insurance which is issued mainly in amounts of \$1,000 or more and with premiums payable annually, semiannually, quarterly, and, in some companies, monthly. Underwriting of ordinary insurance has for the most part required a medical examination, although at present a considerable amount of nonmedical ordinary insurance is being written; the amount which will be issued on a nonmedical basis is limited by company rulings. The average size of policies in force is slightly over \$2,000. The policies vary from low-premium 1-year term policies to high-premium short-term endowments and single-premium life and endowment policies. Nearly 22 percent of ordinary insurance is on the endowment plan, and about 70 percent is on whole-life forms, some of which require premiums for only a limited number of years. Most of the remaining 8 percent is on a term basis, largely for 5-year and 10-year terms.

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Industrial insurance is generally for smaller amounts and is paid for on a weekly basis, although as much as 40 percent of the industrial insurance in some large companies is being paid for on a monthly basis. Premiums are collected at the policyholder's home, and the average size of policy is about \$250. Usually several members of a family have policies, and collections are made for all at one time. The endowment form has been used to a considerable extent, especially for children's policies, emphasizing the savings element rather than insurance protection alone. At the end of 1935 about one-third of all industrial business was on the endowment form. A few years ago New York State passed a law considerably limiting the sale of industrial endowment insurance. This has led to a decrease in the proportion of endowment insurance and has also encouraged the writing of juvenile insurance in the ordinary departments. Of the 350 companies, about 35 confine their business to the industrial type and about 80 write both ordinary and industrial; nearly 70 percent of the industrial business in force is with 3 large companies.

Group insurance is written on the lives of the employees of a single employer, on the members of a labor union, on the borrowers from one financial institution, and, where permitted by State law, on associations of employees. The definition as adopted by the National Association of Insurance Commissioners and incorporated into the New York State law requires that the group consist of a definite class of employees and of not less than 50 lives and that at least 75 percent of all eligible employees be insured. Most of the group life insurance is on the yearly renewable term form, is written without medical examination, and is paid for either by the employer alone or by employee and employer jointly. Usually the employee contribution is a flat amount and the employer pays the remaining cost, contributing little or nothing for the youngest employees and a large proportion for the oldest employees. One master contract is written with the employer, and a certificate is issued to each insured person. About 100 of the 350 companies write group life insurance, but more than 90 percent of the group insurance in force is with 8 companies.

Individual annuities, as the name

implies, are issued to individuals, whereas group annuities, like group life insurance, are issued under a master contract between the employer and the insurance company, with explanatory certificates issued to covered employees.

Individual annuities are classified as (1) benefits now payable; (2) benefits deferred, fully purchased; and (3) benefits deferred, not fully purchased. The first classification comprises policies under which a single premium has been paid, with benefits to commence immediately, and policies which were issued as the deferred-benefit type and have now reached maturity. The second classification includes both single and annual-premium policies under which all stipulated premiums have been paid but which have not yet matured; the third, policies on which stipulated premium payments are still required to obtain full benefits.

Classified as to benefits, there are straight life annuities payable only during the lifetime of the annuitant with no return to a beneficiary or estate; various types of "refund" annuities, which provide, upon the death of the annuitant within a stated period, for payment to a beneficiary of some balance of the purchase money; and joint and survivor types of annuities involving two or more lives.

Annuities arising from life insurance policies, such as endowment annuity contracts, are not included in the figures given here for annuities but are classified under "supplementary contracts," a term used to designate settlements under life insurance contracts when the proceeds are being paid in periodic installments for life or for at least a specified term.

Life Insurance in Force on United States Lives

From the end of 1935 to the end of 1943, total life insurance in force increased by 40 percent; group life insurance has grown much faster than the other two types, and industrial has increased relatively more than ordinary (table 1). While in 1935 ordinary insurance accounted for 71.4 percent of the total, by the end of 1943 it accounted for only about 65 percent. The relative amount of industrial insurance had increased slightly, whereas group insurance, which was 10.7 percent of the total in 1935, had advanced to 16.4 percent in 1943. The

Table 1.—*Life insurance in force on United States lives, by type of insurance, as of end of year, 1935-43*¹

[In billions]				
End of year	Total	Ordinary	Industrial	Group
1935.....	\$90.8	\$71.2	\$17.9	\$10.7
1936.....	104.4	73.8	19.0	11.6
1937.....	109.0	75.9	20.1	13.0
1938.....	110.5	76.9	20.7	12.9
1939.....	113.5	78.6	20.8	14.1
1940.....	117.2	80.6	21.1	15.5
1941.....	124.1	83.9	22.0	18.2
1942.....	129.4	86.4	23.0	20.0
1943.....	139.0	90.5	25.6	22.9
Percentage distribution				
1935.....	100.0	71.4	17.9	10.7
1939.....	100.0	69.3	18.3	12.4
1943.....	100.0	65.0	18.6	16.4
Percentage increase				
1935-39.....	13.7	10.4	16.2	31.8
1939-43.....	22.7	15.1	24.5	62.4
1935-43.....	39.6	27.1	44.7	114.0

¹ In general, data in tables 1-3 were obtained by adding aggregates for United States and Canadian companies and deducting aggregates for insurance on Canadian lives, with adjustments for business of companies not included in the sources (see text footnote 1, p. 14) and for business of the included companies outside the United States and Canada. Data are only approximate.

² After adjustment for reinsurance. Excludes assessment and fraternal insurance, Government life insurance, and other governmentally administered programs.

increase in total insurance in force was much greater in 1943 than during any other single year of the period, the increase being about \$10 billion, or nearly 8 percent. This is the largest increase since 1929 in both actual volume and percentage. During the 1920's an increase of 10 percent was not unusual. In 1919 there was an increase of more than 20 percent, but the actual amount of the increase was only \$6.3 billion as compared with nearly \$10 billion in 1943.

In addition to the total \$139.0 billion in life insurance underwritten by these companies, at the end of 1943 there was about \$7 billion insurance in fraternal and assessment organizations and \$2.5 billion of U. S. Government Life Insurance (established in World War I), while nearly \$100 billion had been applied for under National Service Life Insurance for servicemen in World War II. Survivors insurance under the Social Security Act is furnishing protection which in these terms may represent some \$50 billion.

Number of Policies or Certificates

In 1943, ordinary insurance accounted for about 28 percent of the number of policies in force, as com-

Table 2.—Approximate number of policies or certificates, United States lives, by type of insurance, as of end of year, 1935-43¹

[In millions]					
End of year	Ordinary	Industrial	Group	Individual annuities	Group annuities
1935.....	33.7	81.0	7.2	0.7	0.3
1936.....	34.5	83.8	7.6	.8	.4
1937.....	35.7	86.1	8.3	.8	.5
1938.....	36.2	85.9	8.2	.8	.6
1939.....	37.2	85.5	9.4	.9	.7
1940.....	38.5	85.0	10.7	.9	.8
1941.....	40.6	87.1	12.3	1.0	.9
1942.....	41.9	89.5	13.3	1.0	1.0
1943.....	43.4	96.5	15.2	1.1	1.2
Percentage distribution of life policies or certificates					
1935.....	27.6	66.5	5.9	—	—
1939.....	28.2	64.7	7.1	—	—
1943.....	28.0	62.2	9.8	—	—
Percentage increase in life policies or certificates					
1935-39.....	10.4	5.5	30.6	—	—
1939-43.....	16.7	12.9	61.7	—	—
1935-43.....	28.8	19.1	111.1	—	—

¹See table 1, footnote 1.

pared with 65 percent of the total amount of insurance in force; industrial policies accounted for 62 percent of the number of policies and 19 percent of the amount, and group insurance certificates, for 10 percent of the number and 16 percent of the amount (table 2).

There has been a relatively larger increase in the number of ordinary policies than in the number of industrial policies, although the total amount of ordinary insurance in force increased relatively less. The average size of the industrial policies is increasing, while there has been a slight decrease in the average size of the ordinary. Not only are the industrial policies increasing in size, but a shift is taking place especially in insurance of children, more of which is being placed in the ordinary departments. In industrial insurance, the increase in amount was about 45 percent, and the increase in number of policies, slightly less than 20 percent. The number of individual annuities increased a little more than 50 percent from 1935 to 1943, while the number of group annuity certificates more than tripled.

Although the number of life insurance policy contracts in force is regularly reported, it has always been difficult to estimate the number of persons who hold these policies. A few studies have been made of the

average number of policies per policyholder. Several years ago the number of industrial policies was estimated to be 1.6 per policyholder. Ordinary policies have been estimated to average nearly 2 per policyholder, which would indicate more than 20 million ordinary policyholders. At the end of 1943 there were possibly 55 million industrial policyholders, while the number of persons who held group life certificates had increased to more than 15 million; in group insurance, the number of certificates and of persons insured is very nearly the same. When adjustment is made for overlapping, the total number of insured persons is estimated at 68 million.

Premiums and Dividends

The gross premiums less policyholders' dividends may be considered as the net premiums² or amount actually paid by the policyholders (table 3). Relating these net premiums to the mean amount of insurance in force gives the following approximate average premiums per \$1,000 of insurance in 1936 and 1943:

Type	1936	1943
Ordinary.....	\$27.90	\$27.20
Industrial.....	33.60	32.50
Group.....	10.75	10.20

Premiums for most types of ordinary policies increased over the period. The decrease shown above is due at least in part to the inclusion of more ordinary insurance on children and may reflect as well a slight

²Not to be confused with the term "net premium" in its actuarial meaning of pure cost prior to loading for expenses and contingencies. Adjustment has been made for reinsurance in the gross premium figures.

Table 3.—Premiums and dividends, United States policyholders, by type of insurance, 1935-43¹

[In millions]								
Year	Total ²		Ordinary		Industrial		Group	
	Pre-mium	Divi-dend	Pre-mium ³	Divi-dend	Pre-mium	Divi-dend ⁴	Pre-mium	Divi-dend
1935.....	\$3,660	\$420	\$2,290	\$320	\$720	\$90	\$120	\$10
1936.....	3,670	420	2,330	310	720	100	130	10
1937.....	3,750	440	2,410	310	770	110	140	20
1938.....	3,770	450	2,400	320	780	110	150	20
1939.....	3,820	460	2,430	320	810	120	150	20
1940.....	3,830	460	2,500	320	810	120	170	20
1941.....	4,050	440	2,560	300	820	110	190	30
1942.....	4,140	440	2,640	300	840	110	220	30
1943.....	4,320	410	2,690	280	890	100	240	30

¹ See table 1, footnote 1.

² Includes premiums for disability and double indemnity provisions of life policies.

³ Includes amounts allowed policyholders for direct payment of industrial premiums.

⁴ Includes group annuities but excludes amounts

Table 4.—Insurance reserves in United States and Canadian companies,¹ as of end of year, 1935-43

[In billions]					
End of year	Policy reserves		Contingency and special reserves	Capital and surplus	Total admitted assets ²
	Life ³	Annuity and supplementary contracts			
1935.....	\$19.5	\$3.0	\$0.5	\$1.1	\$25.2
1936.....	20.3	3.3	.6	1.2	27.0
1937.....	21.1	3.7	.6	1.2	28.5
1938.....	22.1	4.0	.6	1.2	30.1
1939.....	23.0	4.6	.6	1.3	31.7
1940.....	24.1	5.3	.6	1.3	33.5
1941.....	25.5	6.0	.7	1.4	35.4
1942.....	27.0	6.6	.8	1.7	37.7
1943.....	28.4	7.1	.9	1.8	40.5
1943 ⁴	27.0	6.8	.8	1.7	37.8

¹ Relates to ordinary, group, and industrial life insurance, and ordinary and group annuities. Includes 11 Canadian companies which write insurance in the United States. Based on aggregates from *Unique Manual Digest and Spectator Yearbooks*, with adjustment for companies not included.

² Includes disability and double indemnity reserves on life insurance and endowment type policies; also reserves on dividends left to accumulate.

³ Includes assets attributable to accident and health insurance of those life companies writing accident and health insurance since these have not generally been segregated.

⁴ Rough estimate of amounts relating to business on United States lives only.

change to a lower-premium form in adult ordinary insurance in force.

The differences in the averages are due primarily to the basic differences in the three types of insurance. Group insurance consists largely of term insurance, which has the lowest premium rate of all the insurance plans. Because of the reserves built up in ordinary and industrial life and endowment policies, the average premium rates for these types are higher. Industrial insurance has a higher average premium than ordinary because there is less medical selection

applied to provide installment benefits under settlement options and amounts transferred from insurance accounts under endowment annuity policies. Dividends very small under annuities; most contracts are nonparticipating.

in underwriting and the servicing of such policies is more expensive.

The total paid in annuity premiums was considerably less in 1943 than in 1935. In 1935, however, aggregate annuity premiums were higher than in any prior or subsequent year, perhaps because of the large number of single-premium annuities purchased in that year, when other investment opportunities were relatively poor and the company rates still attractive.

Insurance Reserves

Policy reserves (table 4) represent the deferred element in the life insurance and annuity premiums. Net premiums are computed according to an appropriate mortality table, using an assumed interest rate. To the reserves at the beginning of the year are added the net premiums and interest income (at the interest rate assumed) and from this amount are deducted the year's insurance claims (deaths, maturities, surrenders, annuities, and so on, but not policyholders' dividends) to give the policy reserves at the end of the year.

These reserves are the amount which, together with all future net premium and interest collections on present policies, will enable the company to pay all policy benefits in full, assuming that the death and interest rates follow those of the tables used in computing the premiums. Given these assumptions, the policy reserves will care for all future claims under the terms of the policies in force—including the nonforfeiture provisions of policies under which premiums may be discontinued—whether or not any new insurance is written or present

policyholders continue their premiums. Since mortality rates, interest rates, and investment values fluctuate, contingency and special reserves are usually established in addition to the policy reserves proper. The capital and/or surplus of a company are further safeguards to the policyholders.

While the amount of life insurance in force increased about 40 percent during the period, the total admitted assets increased about 60 percent. This greater increase is to be expected, not only because the increase in average duration of the policy increases the reserves underlying them, but also because relatively more of the claim proceeds of the policies are now being left with the company to be paid as installments under supplementary contracts.

Distribution of Assets

The distribution of the total assets of United States companies (table 5) includes assets pertaining to Canadian business of those companies. For the sake of comparison, the distribution for the year 1929, the last year before the depression, has been included.

In 1929, one-fortieth of the assets were Federal securities; in 1935 about one-eighth of the assets were so invested; in 1943 the proportion was more than one-third. Because of the investment situation, the companies have increased their Federal Government holdings at a more rapid rate than the rate of the increase in the Federal debt itself. At the end of 1929 the total investment in Federal bonds was less than \$400 million,

while by the end of 1943 it was in the neighborhood of \$13 billion, a thirty-fold increase; at the end of 1929 the Federal debt was about \$16.5 billion and at the end of 1943, \$166 billion, a tenfold increase.

During the depression, some real estate mortgages were foreclosed and the assets they represented were transferred to real estate holdings of the insurance companies. By the end of 1943 the insurance companies had nearly disposed of the real estate which they had thus acquired.

In 1943, policy loans were less in dollar amounts and as a percentage of total assets than in any year since 1928. In 1926, policy loans were 11 percent of the total assets. The rise to 13.6 percent by 1929 probably reflects borrowing for investment, and the further rise to 15.3 percent in 1935 represents reliance on that source of funds by policyholders who were hard up in the early years of the depression.

Payments to Policyholders and Beneficiaries

The total amount of death claims has not kept pace with the amount of insurance in force, for one reason because of the decline in the general death rate, though age-specific death rates reported by the companies for 1943 were higher than in immediately preceding years. In 1939 there was a relatively large increase from the preceding year in matured endowments (table 6). Payments under supplementary contracts, some of which developed from maturing endowments, show the greatest increase in the succeeding year, 1940. The increase in 1939 reflects the large amount of business written in the post-war year 1919, when the 20-year endowment form seems to have been popular. In 1919, the increase in life insurance written was 60 percent, a much larger increase than in any year since 1890 at least.

The "amounts left with company" were nearly 60 percent more in 1943 than in 1935. This rise probably reflects not only an increase in installment-mindedness of insured persons and claimants, but also the change in the economic situation.

The largest change was in the amount paid out under cash surrenders. During the depression, many policies were surrendered for cash. As the economic situation improved, the number of surrenders decreased,

Table 5.—Percentage distribution of assets of United States life insurance companies,¹ by type of investment, for end of each year, 1929 and 1935-43

End of year	Total (in billions)	Percentage distribution								
		Government bonds			Railroad bonds	Public utility bonds	Real estate mortgages	Real estate	Policy loans	Other ¹
		Total	Federal	Other						
1929.....	\$17.5	8.8	2.3	6.5	15.6	8.3	41.6	2.6	13.6	9.5
1935.....	23.2	20.0	12.7	7.3	11.8	9.2	23.0	8.6	15.3	12.0
1936.....	24.9	24.1	16.2	7.9	11.3	10.1	20.5	8.6	13.7	11.7
1937.....	26.2	25.6	17.6	8.0	11.1	11.2	19.9	8.3	13.0	10.9
1938.....	27.8	26.2	18.1	8.1	10.0	11.5	19.6	7.8	12.2	12.7
1939.....	29.2	26.9	18.5	8.4	9.5	12.8	19.4	7.3	11.1	13.0
1940.....	30.8	27.7	19.1	8.6	9.1	13.6	19.3	6.7	10.0	13.6
1941.....	32.7	29.1	21.4	7.7	8.6	14.9	19.6	5.7	8.9	13.2
1942.....	34.9	34.2	27.4	6.8	7.8	14.5	19.2	4.7	7.7	12.3
1943.....	37.8	39.6	33.6	6.0	7.2	13.7	17.6	3.5	6.3	12.1

¹ Relates to ordinary, group, and industrial life insurance, and ordinary and group annuities. Includes assets pertaining to the Canadian business of United States life insurance companies but not assets of Canadian life insurance companies. Based on aggregates from *Unique Manual Digest* and *Spectator*

Yearbooks, with adjustment for companies not included, and on data from the *Proceedings of Association of Life Insurance Presidents*.

² Includes such items as deferred and unpaid premiums, interest due and accrued, bank deposits, and cash.

and in 1943 only one-third as much was paid under cash surrenders as in 1935. Net payments to policyholders have decreased considerably, primarily because fewer policies have been surrendered for cash and larger amounts have been left with the company for later periodic payment. The change in cash surrenders alone would account for the differences in net payments.

On a bookkeeping basis, the estimated gross amount payable to policyholders in 1943 was \$2,730 million. Of this amount, however, the companies were asked to hold \$430 million under a deferred or supplementary arrangement of payment. Of the remaining \$2,300 million, \$410 million was in the form of policyholders' dividends, of which about \$70 million was taken in cash, \$80 million was left with the company, and the balance was used to pay premiums, purchase paid-up additions, and so on. About \$34 million from dividends previously left on deposit with the company was paid out during the year. The cash actually received by policyholders or beneficiaries in 1943 was, therefore, about \$1,994 million.²

Of the total \$1,994 million paid in cash in 1943, about \$510 million was paid in installments under annuities and life insurance policies as follows:

	(In millions)
Total.....	\$510
Annuities.....	170
Disability payments.....	90
Settlement options.....	250

Thus more than one-fourth of the cash outgo to policyholders and their beneficiaries was in the form of installment payments.

To enlarge this picture of life insur-

² Excludes cash loans to policyholders, which were less at the end of 1943 than at the end of any year since 1929.

Table 6.—Payments to policyholders and beneficiaries, United States lives,¹ by type of payment, 1935-43

Year	Gross payments	Amounts left with companies ¹	Net payments	Gross payments					
				Death and disability claims	Matured endowments	Cash surrenders	Annuities	Supplementary contracts	Dividends to policyholders
1935.....	\$2,720	\$260	\$2,460	\$1,040	\$160	\$890	\$80	\$130	\$420
1936.....	2,640	290	2,350	1,080	170	720	110	140	420
1937.....	2,710	290	2,420	1,100	170	680	140	180	440
1938.....	2,860	330	2,530	1,090	200	800	140	180	450
1939.....	2,950	390	2,560	1,110	270	760	160	190	460
1940.....	3,020	410	2,610	1,130	310	720	160	240	460
1941.....	2,910	400	2,510	1,160	300	600	170	240	440
1942.....	2,780	400	2,380	1,160	290	470	170	250	440
1943.....	2,730	430	2,300	1,250	350	300	170	250	410

¹ Relates to ordinary, group, and industrial life insurance, and ordinary and group annuities.

² Proceeds to be paid in installments under supplementary contracts.

ance payments to individuals, account should also be taken of payments made under legislative programs designed to meet similar risks. In 1943, nearly \$480 million was paid in monthly retirement benefits under the Social Security and Railroad Retirement Acts, the retirement systems for Federal, State, and local employees (including retirement pay to military personnel), and in payments to Spanish-American War veterans retired for age.⁴ Monthly benefits to survivors totaled more than \$240 million under these programs and under workmen's compensation laws. Monthly disability payments to employees covered under government-operated systems, to veterans, and for workmen's compensation (the latter largely through the medium of insurance companies) aggregated nearly \$550 million. This last figure, however, is not comparable to the amount given above for disability payments by life insurance companies, since that

amount does not include payments of about \$250 million under accident and health insurance policies, about one-third of which are written by other than life insurance companies.

In all, payments under social insurance and allied programs, established by law for retirement, death, and disability, aggregated about \$1,450 million in 1943, including lump-sum payments, monthly benefits, and certain medical care items, but not cash refunds of contributions to employees leaving Government service. In addition, about \$55 million was paid under U. S. Government Life and War Risk Insurance for veterans of World War I, and about \$40 million under National Service Life Insurance for servicemen in World War II.

Thus, in 1943, the over-all amount of cash payments to individuals under these insurance programs was more than \$3½ billion—\$2 billion in private life insurance (exclusive of all private accident and health insurance and of fraternal and assessment insurance), and more than \$1½ billion through programs established by legislation.

⁴ A detailed discussion of payments under social insurance and related programs is carried in the *Social Security Yearbook, 1943*, pp. 27-45.

Benefit Suspensions and "Dry Spells" When Old-Age and Survivors Insurance Beneficiaries Go to Work

By Mignon Sauber*

WHEN A BENEFICIARY of old-age and survivors insurance earns as much as \$15 in a month in covered employment, his insurance benefit and any supplementary benefits based on his wage record must be suspended for that month. Since the purpose of benefits is to compensate for wage loss, there is no social justification for the benefits when such loss does not exist. Beneficiaries have often failed to understand or to comply with the provisions of the Social Security Act which require them to report when their earnings in a covered job exceed \$14.99 in a month.

When beneficiaries do not report promptly, the deduction for employment cannot be made current with the employment itself. As a result, when later they stop work, they may have a month or more without income from either benefits or wages. Many cases of hardship during such "dry spells" have been brought to the Board's attention through the field offices and by letters from beneficiaries. This situation and study of administration of the work clause have brought up questions concerning the extent and regularity of covered employment among beneficiaries and the extent to which they report such employment promptly.

Wage and claims data regularly compiled by the Bureau of Old-Age and Survivors Insurance do not provide adequate answers to these questions. Special surveys of beneficiaries¹ give some information on the work history and economic status of the beneficiary groups as a whole, but it was necessary to know more about beneficiaries who worked, and especially those whose benefit deductions did not coincide with the time of their employment. To obtain the information necessary for an analysis of the general effect of the work clause and penalty provision, a study was made of the claims records of a sample group of persons receiving primary or

widow's current benefits who were known to have had deductions from their benefits. For this group, facts were compiled on the number and pattern of benefit suspensions and deferments for each member of the beneficiary family since the date of entitlement.

The random sample selected for the study consisted of about 20 percent of all claims listed as in suspended or deferred-payment status as of selected dates during the summer of 1942.² At that time, from 10 to 12 percent of the primary and widow's current benefits in force were in suspended or deferred-payment status. A total of 5,791 claims records of primary beneficiaries and 1,130 claims records of widows receiving current benefits were examined to ascertain any deductions made from the time monthly benefits first became payable—January 1940—through September 1943. It should be remembered that this study relates only to beneficiaries who worked after their entitlement, not to the whole group of persons entitled to benefits, the majority of whom are not affected by the work clause. The study, moreover, yields information only on the employment of beneficiaries in jobs

² The sample was selected from the account number listings of benefits in suspended and deferred-payment status as of the date of establishment of each area office. These dates were as follows: for New York, June 26, 1942; for Philadelphia, June 30, 1942; for Chicago, July 22, 1942; for New Orleans, Aug. 1, 1942; and San Francisco, Aug. 12, 1942.

covered by the old-age and survivors insurance system; earnings for other types of work do not entail suspension of benefits. Furthermore, the conclusions drawn from the data may not hold good for beneficiaries in years when there is less demand for older workers.

Employment After Entitlement

It is often assumed that beneficiaries with the smallest benefits, who probably have no other financial resources, have the most difficulty managing without wages and, consequently, that they are more likely to go back to work after their entitlement than those who have higher benefits and probably more ample income from other sources. For primary beneficiaries the study somewhat substantiates this assumption. Thus, of the primary beneficiaries who went back to work, 73 percent were entitled to monthly benefits of less than \$25, as compared with 66 percent of all primary beneficiaries to whom benefits were awarded in 1941. On the other hand, of the widows who went back to work 58 percent were entitled to widow's current benefits of less than \$20, as compared with 55 percent of all women with 1941 awards of widow's current benefits (table 1).

A second assumption frequently made is that beneficiaries do not go back to work immediately after their entitlement but wait until financial pressure forces them to look for jobs. The findings of the study do not entirely support this premise. For example, nearly one-third of the retired workers who had some later employment and about one-sixth of the widows who took jobs went to work during the first month of their entitlement.

Table 1.—Distribution of persons entitled to primary and widow's current benefits awarded in 1941¹ and in sample study, by amount of benefit

Amount of benefit	Primary benefits				Widow's current benefits			
	Awarded in 1941 ¹		Sample study		Awarded in 1941 ¹		Sample study	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total.....	73,728	100.0	5,791	100.0	24,553	100.0	1,130	100.0
Less than \$15.....	15,346	20.8	1,287	22.2	4,346	17.7	188	16.6
15-19.....	8,656	11.7	803	13.9	9,110	37.1	462	40.9
20-24.....	24,247	33.0	2,121	36.6	6,678	27.2	329	29.1
25-29.....	14,599	19.8	1,012	17.5	2,627	10.7	97	8.6
30-34.....	6,005	8.1	359	6.2	1,792	7.3	54	4.8
35-39.....	2,419	3.3	115	2.0				
40 or more.....	2,456	3.3	94	1.6				

*Bureau of Old-Age and Survivors Insurance, Analysis Division.

¹ For a discussion of the findings from the surveys, see the *Bulletin*, July 1943, pp. 3-20, and September 1943, pp. 3-17.

² Old-age and survivors insurance claims data.

Table 2.—*Distribution of persons entitled to primary and widow's current benefits, by number of months elapsing between month of entitlement and first month of employment*

Number of months elapsing between month of entitlement and first month of employment	Primary benefits		Widow's current benefits	
	Number	Percent	Number	Percent
Total.....	5,791	100.0	1,130	100.0
None.....	1,761	30.4	185	16.4
1-6.....	2,739	47.6	510	45.1
7-12.....	683	11.8	227	20.0
13 and over.....	588	10.2	208	18.5

ment^a (table 2). Only 10 percent of the retired workers and 18 percent of the widows who took covered jobs at some time failed to do so during the first year of their entitlement. Thus it appears that a large majority of the beneficiaries who take covered jobs do so before they have been in beneficiary status a year.

Several factors probably contributed to the difference between the rapidity with which retired workers and widows went to work after entitlement. To receive a widow's current benefit, a woman must have one or more children of the deceased worker in her care. Especially for a period just after her husband's death, she may find it desirable or necessary to stay at home rather than seek a job. Moreover, some of the women may never have worked outside their homes, or they may have had little opportunity to be employed until the war increased the demand for workers. The retired worker, on the other hand, is already familiar with the working world and may even find retirement distasteful, so that he is more likely to undertake employment if he can find a job. It is the primary beneficiary, however, who may give up more in benefit income, since his employment requires the suspension of any benefits payable to his wife and

^a The Instructions for the study specified that benefits listed in frozen-payment status as of the date in 1942 when the respective area offices were open should be omitted. However, it is probable that many benefits in suspended-payment status had been "freeze" cases at the time of the entitlement of the beneficiary. Since only primary beneficiaries can freeze their benefit amounts, the fact that about 30 percent of them had employment in the first month of their entitlement is no doubt the result of the inclusion in the sample of cases which were in frozen-payment status at the time of entitlement.

Table 3.—*Distribution of persons entitled to primary and widow's current benefits with benefits in force December 31, 1942,¹ and in sample study, by age*

Age in 1942 (years)	Primary benefits				Widow's current benefits			
	In force, Dec. 31, 1942		Sample study		In force, Dec. 31, 1942		Sample study	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total.....	313,484	100.0	5,791	100.0	71,574	100.0	1,130	100.0
Under 35.....					20,480	28.6	519	45.9
35-64.....	190,406	60.7	4,112	71.0	51,094	71.4	611	54.1
65-69.....	85,259	27.2	1,362	23.5				
70-74.....	37,819	12.1	317	5.5				
75 and over.....								

¹ Social Security Yearbook, 1942, pp. 134-135.

children as well as his own benefit.

It is interesting to note some of the personal characteristics of the working beneficiaries. The age of the primary beneficiaries who went back to work is a little less, on the average, than that of all primary beneficiaries. As of the end of 1942, only about 30 percent of the working beneficiaries were aged 70 or over, as compared with nearly 40 percent of all primary beneficiaries (table 3). Likewise, only 54 percent of the widows who took covered jobs were aged 35 or over as against 71 percent of the total group of widows entitled to current benefits.

No relationship appears between the race of the primary beneficiary and return to covered employment. In the group studied, nonwhite primary beneficiaries were in about the same proportion as they are among all beneficiaries. For widows, however,

there was some difference. About 2 percent of the widows who worked were nonwhite, as compared with about 7 percent of all widows with benefits in force at the end of 1942. No doubt a partial explanation of this difference is that many of the Negro women who work after the death of their husbands do so in the noncovered domestic services in which their earnings do not require deductions from their benefits.

Regularity of Employment

It is sometimes assumed that retired workers have only irregular employment and work for short periods, and that they move in and out of employment frequently. This assumption may be tested to some extent by analyzing the total number of months for which the benefits of each beneficiary were suspended.

Table 4.—*Distribution of persons entitled to primary and widow's current benefits, by number of months entitled and number of months suspended¹*

Number of months entitled	Total		Number of months suspended							
			1-12		13-24		25-36		37 and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Primary benefits										
Total.....	5,791	100.0	970	16.8	2,633	45.4	1,727	29.8	461	8.0
Under 25.....	1,364	100.0	493	36.1	871	63.9				
25-30.....	971	100.0	192	19.8	553	57.1	226	23.1		
31-36.....	1,241	100.0	145	11.7	564	45.5	532	42.8		
37-42.....	1,135	100.0	76	6.7	353	31.1	529	46.6	177	15.6
43-45.....	1,080	100.0	64	5.9	292	27.1	440	40.7	284	26.3
Widow's current benefits										
Total.....	1,130	100.0	171	15.1	577	51.1	315	27.9	67	5.9
Under 25.....	256	100.0	95	37.1	161	62.9				
25-30.....	274	100.0	31	11.3	190	69.4	53	19.3		
31-36.....	267	100.0	24	9.0	113	42.3	130	48.7		
37-42.....	232	100.0	15	6.5	79	34.1	106	45.6	32	13.8
43-45.....	101	100.0	6	6.0	34	33.6	26	25.7	35	34.7

¹ Cumulative number of months suspended for all reasons.

Table 5.—*Distribution of persons entitled to primary and widow's current benefits, by number of months in most recent suspension period*¹

Number of months in most recent suspension period	Primary benefits		Widow's current benefits	
	Number	Percent	Number	Percent
Total.....	5,791	100.0	1,130	100.0
1-6.....	1,414	24.4	163	14.4
7-12.....	717	12.4	106	9.4
13-18.....	1,166	20.1	250	22.1
19-24.....	1,027	17.7	299	26.4
25-30.....	768	13.2	168	14.9
31-36.....	423	7.4	90	8.0
37 and over.....	276	4.7	54	4.8

¹ A suspension period is 1 or more consecutive months without benefits.

The number of months in which a beneficiary can have had deductions from his benefits is, of course, limited by the number of months during which he has been entitled to benefits. Within the limits of the study, it was possible for a beneficiary to have been entitled for as many as 45 months of benefits, from January 1940 through September 1943. Primary beneficiaries, on the whole, were entitled for more months out of this period than widows. For example, 38 percent of the primary beneficiaries were entitled in at least 37 out of the 45 months, as compared with only some 30 percent of the widows. This difference partly explains the fact that a somewhat larger proportion of primary beneficiaries (38 percent) than of widows (34 percent) had benefit deductions totaling at least 25 months (table 4). It is clear that beneficiaries who did go to work got regular jobs and continued in employment rather steadily. The period studied, however, was one of increasing labor shortage and great economic activity. It is probable that somewhat different results might be obtained at another time.

Further indication of the regularity of work during the period under study is found in the fact that 54 percent of the widows and 43 percent of the primary beneficiaries had 19 months or more in their most recent suspension period (table 5). A suspension period has been defined for the purpose of this study as a period of consecutive months without benefits. The average number of such suspension periods during the entire time was one and a half for the widows and two for the primary beneficiaries who took covered jobs (table 6). The average duration of suspension periods was 14

months for the widows and 11 months for primary beneficiaries. Probably illness and incapacity of some of the aged primary beneficiaries were partly responsible for the difference between the regularity of their employment and that of the widows.

Dry Spells Without Income From Work or Benefits

Unless the beneficiary's report of his employment is received relatively early in the month, it may be impossible to complete the administrative actions necessary to withhold his benefit check for that month. If the check cannot be stopped and the beneficiary fails to return it, his benefit for the following month must be withheld. Also, if a beneficiary fails to report his employment before accepting his check for the second month following the one in which he is employed, the act requires that an additional benefit deduction must be made as a penalty. In both of these situations, deductions are made from benefits for some month after the one in which the wages requiring the deduction were earned.

About one-third of the primary beneficiaries and widows entitled to current benefits studied had at least a month for which their employment and the deduction from their benefit did not coincide (table 7). At one time they had both their benefit and wages, and at another, no income from either of these sources. This latter situation, namely, months for which beneficiaries are without both benefit and wage income, has been a matter of great concern to the Board. Some beneficiaries have reported that they had to seek public or private assistance during such dry spells. Others have found it necessary to remain at work or hunt new work, although by so doing they only postponed the time

Table 7.—*Distribution of persons entitled to primary and widow's current benefits, by number of months with both benefits and wages*

Number of months with benefits and wages	Primary benefits		Widow's current benefits	
	Number	Percent	Number	Percent
Total.....	5,791	100.0	1,130	100.0
None.....	3,793	65.4	753	66.6
1.....	1,081	18.7	245	21.7
2.....	343	5.9	73	6.5
3 and over.....	574	10.0	59	5.2

when they would not receive either their benefit or wages in covered employment. The study indicates that 37 percent of the primary beneficiaries and 15 percent of the widows who took covered jobs had experienced a dry spell of at least a month (tables 8 and 9). Less than 3 percent of the widows had 3 or more months without income from either benefits or wages, but 14 percent of the primary beneficiaries had such extended periods.

Employment is not the only cause of dry spells. Some primary beneficiaries had such spells because the amount of the lump-sum payments they had received at age 65 under the 1935 act had to be deducted from the monthly benefits to which they later became entitled under the amended provisions. Nearly 20 percent of the primary beneficiaries had a benefit deduction for at least a month because of an earlier lump-sum payment. Of the total months of dry spell experienced by all primary beneficiaries, 41 percent resulted from deductions for lump-sum payments (table 9). This problem is decreasing, since few beneficiaries entitled currently have received a payment under the 1935 act. A widow's current benefit is suspended for months in which the widow does not have a child in her care. Unless she works during those months, she has neither wages nor benefits.

How do beneficiaries manage during these dry spells? It is not possible to answer this question from the data in the claims record. In a current field survey of resources of beneficiaries, some answers were obtained during interviews with a few primary beneficiaries whose benefit suspensions had been studied and who had experienced long dry spells. One 70-year-old beneficiary reported that,

⁴ This study, conducted in the spring of 1944, is similar to those conducted in 1940 and 1941 (see footnote 1).

Table 6.—*Distribution of persons entitled to primary and widow's current benefits, by number of suspension periods*¹

Number of suspension periods	Primary benefits		Widow's current benefits	
	Number	Percent	Number	Percent
Total.....	5,791	100.0	1,130	100.0
1.....	2,271	39.3	762	67.4
2.....	1,982	34.2	263	23.3
3.....	904	15.6	73	6.5
Over 3.....	634	10.9	32	2.8

¹ A suspension period is 1 or more consecutive months without benefits.

Table 8.—Percentage distribution of persons entitled to primary and widow's current benefits, by number of months without benefits or wages, and number of months with deductions for specified reason

Number of months	Primary benefits			Widow's current benefits		
	Without benefits or wages	With penalty deductions	With deductions for other reasons ¹	Without benefits or wages	With penalty deductions	With deductions for other reasons ¹
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
None.....	63.2	93.7	81.2	84.9	98.1	99.0
1.....	13.7	3.1	6.5	10.0	1.1	.4
2.....	9.0	1.3	6.0	2.3	.4	.1
3.....	6.6	.7	4.4	1.3	.4	.1
4 and over.....	8.5	1.2	1.9	1.5	(2)	.4

¹ Reasons other than employment or penalty.

² Less than 0.1 percent.

during a 5-month dry spell, he had to move from a private old men's home to a small shed at the rear of his brother's home until he could again pay his rent with his insurance benefit. Another was living with an unmarried son, aged 40, who was able to support him, although at a low standard of living, during his 6 months without either benefit or wage income. A considerably more fortunate beneficiary, aged 72, had a monthly retirement payment of \$167 from his former employer during more than 2 years of benefit suspension. Because the dry spell was so long and he and his wife were living expensively in a large house, however, it was necessary for them to borrow \$800 on life insurance, curtail their standard of living, let taxes on a vacant lot become delinquent, and dismiss their maid. Even for this more fortunate couple, nearly 2 years' suspension of benefits amounting to \$61.20 a month required substantial changes in their customary manner of living. They had incurred considerable penalty for delay in reporting, and the amount of benefits lost was nearly double the amount they had received and kept during the 15 months in which the primary beneficiary had employment.

No generalization can be made from these isolated cases on how beneficiaries do manage when they are without either benefit or wage income. The present study does indicate, however, that the proportion of the total beneficiary group who experience a dry spell is relatively small and that, on the whole, such spells are short.

Much of the blame for dry spells has been placed on the penalty provision. Although penalty deductions are only one of the factors causing dry spells, their relative importance is evidenced by the fact that 14 percent of the total months of the dry spell experi-

enced by primary beneficiaries and 11 percent of those experienced by the widows resulted from such deductions. For beneficiaries who had at least one penalty deduction, however, the proportion of the total months without benefits or wages attributable to penalty deductions was 41 percent for primary beneficiaries and 35 percent for widows (table 9). Beneficiaries who had penalty deductions generally had more months than others had without benefits or wages. Nearly 85 percent of those who had at least 10 months of dry spell had some penalty deductions.

Detailed analysis reveals that penalty deductions were applied against only 6 percent of the primary beneficiaries and 2 percent of the widows who took covered jobs (table 8). The primary beneficiaries, who are aged 65 and over, appear to have had more difficulty than the widows in understanding and remembering their responsibilities for reporting employment under the deduction provisions of the act. Not only did a larger proportion of primary beneficiaries than of widows suffer penalty deductions, but 10 percent of the former, as against only 5 percent of the widows,

had 3 or more months with both benefits and wages (table 7).

Some of the beneficiaries had not had all their required deductions at the conclusion of the period studied. In October 1943, the month following the study period, a large majority of both the primary beneficiaries and the widows included in the study were employed. Their benefits were suspended for that month for their current employment. Some of them had had earlier employment which they had not reported promptly and still owed the repayment of some monthly benefits because they had kept their checks for those months. Overpayments which have not yet been recovered have been called "unadjusted months." A larger proportion of widows (24 percent) than of primary beneficiaries (19 percent) owed repayment for a month or more (table 10).

Summary and Conclusions

In the 1930's, when unemployment was acute, there was considerable sentiment for getting older workers to withdraw from the competition for jobs. The insurance benefits were designed to make it possible for older workers to cease work. The "work clause" was believed necessary to keep benefits from becoming merely a subsidy to low wages which beneficiaries might otherwise be willing to accept in a highly competitive labor market. The collection or noncollection of a benefit, however, is only one factor influencing the employment of a beneficiary. Even those widows with children in their care who are entitled to rather substantial benefits have accepted positions in regular employment. Especially in prosperous periods, it seems improbable that benefits alone would be as attractive as

Table 9.—Cumulative number of months without benefits or wages and number of months with deductions for specified reason for persons entitled to primary and widow's current benefits

Benefits	Cumulative number of months ¹					
	Without benefits or wages		With penalty deductions		With deduction for reasons other than employment or penalty	
	Number	Percent	Number	Percent	Number	Percent
Total:						
Primary.....	5,810	100.0	826	14.2	2,363	40.7
Widow's current.....	360	100.0	40	11.1	82	22.8
Total with at least 1 penalty deduction:						
Primary.....	2,017	100.0	826	41.0		
Widow's current.....	115	100.0	40	34.8		

¹ Estimated.

Table 10.—*Distribution of persons entitled to primary and widow's current benefits, by number of months benefits unadjusted*

Number of months benefits unadjusted	Primary benefits		Widow's current benefits	
	Number	Percent	Number	Percent
Total.....	5,791	100.0	1,130	100.0
None.....	4,707	81.3	864	76.5
1.....	577	10.0	180	15.9
2.....	169	2.9	39	3.4
3 and over.....	338	5.8	47	4.2

wage income for most persons who are able to work and can find jobs.

Perhaps a better reason for the work clause is that it serves to prevent socially unnecessary payments to persons who can live on their wages. The extent of regular employment of beneficiaries, as shown by this study, indicates that elimination of the work clause would result in paying benefits to many persons who have returned to full-time jobs after once retiring. In addition, such elimination would also permit some 650,000 insured workers aged 65 or over who have never filed claims to receive benefits in addition to their wages.

The study also shows that changes in or repeal of the penalty provisions of the act would reduce but not eliminate months for which beneficiaries had neither benefit nor wage income. If there were no penalty deductions, the months of dry spell experienced by beneficiaries who had been subjected to penalties would have been reduced about 30-40 percent.

The study of claims records of beneficiaries whose benefits were suspended or deferred leads to the following conclusions, all of which should be considered in the light of economic conditions in the period covered by the study, when jobs were plentiful and wage levels attractive.

1. *Beneficiaries who take covered jobs return to work very soon after their entitlement.* Of the beneficiaries studied, the widows were a little slower than the primary beneficiaries in undertaking covered employment after entitlement. More than four-fifths of both these groups had had at least 1 month's covered employment, at wages of \$15 or more, during their first year as beneficiaries.

2. *Beneficiaries who return to covered jobs work rather steadily for considerable periods of time.* The widows had fewer suspension periods than primary beneficiaries, on the average, but the average length of the suspension was longer. For both groups, suspension periods averaged from 10 to 14 months in length.

3. *Most working beneficiaries report their employment promptly, as required by the law.* In about two-thirds of all the cases studied, the deduction was made from the benefit for the same month as that in which wages requiring the deduction were earned. A larger proportion of the primary beneficiaries than of the

widows had penalty deductions and months without income from either benefits or wages. Only a small percentage of each group had long dry spells.

4. *If job opportunities for older workers and women decrease, many beneficiaries will experience a dry spell.* As of September 30, 1943, the last date for which information was collected for the study, about 70 percent of the benefits in the sample were suspended for current employment. At that time about one-fifth of the total sample group owed deductions which had not been made during an earlier period of employment. Such persons will have at least 1 month without benefit or wage income when their employment stops. The end of the war may, therefore, sharply increase the number of dry spells.

5. *Although, generally speaking, primary beneficiaries who work are younger than the average and have smaller than average benefits, factors other than age and benefit amount are important in influencing employment of beneficiaries.* Job opportunities are especially important. Persons of advanced age often work, as evidenced by the fact that one-fourth of the employed beneficiaries were aged 70 years or over. Moreover, more than one-fourth of the employed primary beneficiaries had benefits above \$25, or more than the average benefit amount.

(Continued from page 1)

tantly. "I have felt in the past and I still feel that the scheduled rate increase, which has been repeatedly postponed by Congress, should be permitted to go into effect. The long-run financial requirements of the social security system justified adherence to the scheduled increase, and the increase was consistent with wartime fiscal requirements.

"I feel sure that the Congress does not intend to jeopardize in any way the benefit rights which have already been built up in the past and which will continue to grow in the future. However, I am less disturbed, in view of the expressed commitments of both major political parties for comprehensive coverage under old-age and survivors insurance, by the present situation . . .

"At an early date," he added, "I plan to submit to the Congress a comprehensive plan for broadening and improving the social security system. At that time, I hope that a clear understanding of the Government's financial responsibilities for social security will emerge and that a long-term plan for allocating the costs of social security will be developed."

Public Assistance

Assistance Cases Closed in a War Year, July 1943-June 1944

Many needy aged and blind persons and many families with dependent children have been able to leave the assistance rolls during the war years because they gained other means of support and were no longer eligible for assistance. In each program, the proportion of recipients for whom assistance was discontinued because of decreased need more than doubled in 2 years. These proportions were highest in the 6 months January-June 1943, with the result that the total closing rates reached their highest point in that period—81 per 1,000 cases for old-age assistance, 91 per 1,000 for aid to the blind, and 219 per 1,000 for aid to dependent children. In the last two 6-month periods the number of cases closed because of decreased need declined somewhat, and in January-June 1944 total closing rates were 80 per 1,000 for old-age assistance and aid to the blind and 165 per 1,000 for aid to dependent children (table 1).

Agency policies as well as changes in the circumstances of recipients govern the closing of cases, and both factors are reflected in State differences

in the proportions of cases closed (table 2). Occasionally important changes in policy in a particular State affect the national trend in closings. For example, a new policy in one State to reduce the case load of aid to dependent children because of insufficient funds brought the total number of closings in this program to a peak in the last half of 1942, though the rate of closings was highest in the next half year. A change in State policy that increased the number of closings for old-age assistance in 1944 is discussed below. Some variations among different local units in reporting reasons for closing are inevitable, because of varying interpretations, especially when two or more reasons may apply. Even with these limitations, however, the reasons for closing cases reflect the effects of the war on a substantial group of recipients.

Closings Because of the Employment of Recipients

The current necessity for tapping all possible sources of labor highlights any information available on the employment of recipients of assistance. Although small in proportion to the total case loads, the number of cases of old-age assistance and aid to the blind closed because of the employment of recipients was by no means insignificant. The employment

of mothers of dependent children is the most important single factor in the total closing rate for aid to dependent children.

Suspending payments for a few months instead of closing the case immediately has become more general during the war for recipients whose age or other handicap makes their continued employability uncertain. Since the more employable recipients got jobs early in the war, such postponement of closing protects less employable persons now attempting to work. In the States with this procedure, recipients with earnings temporarily equal to their requirements will not appear among the cases closed, as they formerly did in these States and as they still do in some other States.

The number of cases of old-age assistance closed because of the employment of recipients was reduced somewhat further during the last half of 1943 in about one-fourth of the States which took advantage of a congressional provision (Public, No. 45, 78th Cong.) for adding to the farm labor supply. Under this provision, earnings from agricultural labor do not terminate assistance or reduce payments for persons who were on the old-age assistance rolls in July 1943.

Despite these various provisions for encouraging earnings without loss of assistance status, the cases of nearly 14,000 aged recipients were closed because of their employment during the first 6 months of 1944 (table 3). The

Table 1.—Special types of public assistance: Number of cases closed for specified reason per 1,000 open cases, under State-Federal programs, by 6-month period, July 1941-June 1944¹

Period	Total number closed			Number closed for specified reason per 1,000 open cases											
	Old-age assistance	Aid to the blind	Aid to dependent children	Old-age assistance				Aid to the blind				Aid to dependent children			
				Total	Death	Need decreased	Other ²	Total	Death	Need decreased	Other ²	Total	Need decreased	Loss of eligibility	Other ²
1941															
July-December.....	132,254	3,732	61,958	55	33	13	9	65	23	16	26	133	78	30	25
1942															
January-June.....	163,388	4,068	68,501	67	40	17	10	69	26	19	24	147	87	33	27
July-December.....	164,181	4,387	97,554	65	33	22	10	74	22	27	25	215	124	31	60
1943															
January-June.....	191,880	5,312	85,395	81	42	28	11	91	28	39	24	219	153	35	31
July-December.....	165,964	4,917	68,735	71	36	25	10	77	22	32	23	199	139	29	31
1944															
January-June.....	182,601	5,022	52,442	80	46	24	10	80	29	29	22	165	113	28	24

¹ Number of States for which data are included varies as follows: OAA—50 for July-Dec. 1941, and 51 for subsequent periods; AB—44 for July 1941-Dec. 1942, 45 for Jan.-June 1943, and 46 for July 1943-June 1944; ADC—46 for July-Dec. 1941, 47 for 1942, 48 for 1943, and 49 for Jan.-June 1944.

² Represents moved out of State, admitted to institutions, receipt of other aid, change in agency policy, refusal to comply with regulations, and other reasons.

³ Represents vision wholly or partially restored and reasons listed in footnote 2.

Table 2.—Special types of public assistance: Total number of cases closed and number closed per 1,000 open cases, under State-Federal programs, by State, January-June 1944

State	Old-age assistance		Aid to the blind		Aid to dependent children	
	Total number closed	Number closed per 1,000 open cases	Total number closed	Number closed per 1,000 open cases	Total number closed	Number closed per 1,000 open cases
Total.....	182,601	80	5,022	80	52,442	165
Alabama.....	2,193	68	47	62	857	151
Alaska.....	107	71				
Arizona.....	515	49	31	68	251	129
Arkansas.....	2,187	74	69	54	828	145
California.....	10,507	62	655	96	1,114	139
Colorado.....	2,264	51	48	69	670	153
Connecticut.....	1,201	75	7	(1)	277	130
Delaware.....	211	121			44	150
District of Columbia.....	302	98	20	76	198	248
Florida.....	2,916	68	164	65	435	114
Georgia.....	5,417	70	118	50	579	114
Hawaii.....	97	88	6	(1)	103	143
Idaho.....	919	83	23	91	427	219
Illinois.....	17,645	118	412	76	4,666	176
Indiana.....	6,092	92	189	77	1,759	189
Iowa.....	3,491	64	120	82	379	112
Kansas.....	2,731	86	136	106	962	211
Kentucky.....	4,457	75	80	48	266	59
Louisiana.....	2,636	67	89	87	1,687	143
Maine.....	1,196	73	85	90	195	120
Maryland.....	1,504	107	41	81	725	200
Massachusetts.....	7,721	93	115	109	1,454	169
Michigan.....	7,486	80	113	80	2,257	145
Minnesota.....	4,124	66	90	94	1,260	183
Mississippi.....	1,968	70	83	57	329	104
Missouri.....	8,240	74			1,826	141
Montana.....	1,175	96	41	83	343	192
Nebraska.....	2,062	74	68	111	612	175
Nevada.....	180	81				
New Hampshire.....	602	83	32	105	98	122
New Jersey.....	2,843	101	90	138	893	187
New Mexico.....	392	68	23	80	334	131
New York.....	12,184	100	338	105	3,950	172
North Carolina.....	3,422	92	185	76	1,251	159
North Dakota.....	678	71	27	(1)	308	160
Ohio.....	10,290	76	337	94	1,709	171
Oklahoma.....	4,594	56	142	69	2,013	128
Oregon.....	1,624	75	26	63	185	127
Pennsylvania.....	9,707	102			8,112	263
Rhode Island.....	669	85	5	(1)	243	185
South Carolina.....	1,793	77	45	48	499	122
South Dakota.....	903	63	23	92	205	115
Tennessee.....	2,889	71	77	48	1,535	124
Texas.....	14,886	79	362	73	2,079	161
Utah.....	1,076	73	12	(1)	408	171
Vermont.....	471	81	8	(1)	78	118
Virginia.....	1,785	99	86	81	725	163
Washington.....	4,116	63	97	128	462	128
West Virginia.....	1,922	94	87	95	1,395	168
Wisconsin.....	3,926	76	150	88	1,311	163
Wyoming.....	285	78	11	(1)	116	219

¹ Not computed; base less than 200.

employment of spouses of recipients closed an additional 3,000 cases. Although some of these spouses doubtless were not themselves eligible for old-age assistance, many of the men were probably included among the 14,000 recipients mentioned above and were able to earn enough in this period to support both themselves and their wives, thus removing 2 persons from the rolls.

Nearly 700 cases of aid to the blind were closed by the employment of the blind recipient. In fact, the proportion of all recipients of aid to the blind who left the rolls because of jobs (11 per 1,000 open cases) is higher than the proportion of old-age assistance

cases closed because the recipient or spouse was working (8 per 1,000).¹

In the first half of 1944 the earnings of mothers of dependent children closed more than 11,000 cases, and earnings of hitherto "dependent" children permitted the closing of more than 2,200 other cases. In all, 42 cases per 1,000 were closed because of new or increased earnings of mothers and children (table 4). The employment of children under the State age limits for aid resulted in closing about the

¹ Since spouses of recipients of aid to the blind are only rarely recipients of aid to the blind, the cases closed by their employment have been included under employment of other persons in the home.

same proportion of the case loads of that program as employment of the aged recipient did for old-age assistance. In most cases the earnings of the children probably comprised only part of the family income but were enough to bring the total above requirements.

Marginal workers who in normal times would not be considered employable have had much more chance to find jobs during the war. Willingness of employers to use part-time workers has made employment possible for some aged recipients unable to undertake full-time work, for some mothers whose home duties prevent full-time jobs, and for children still in school. The State agency in New Jersey summarized the circumstances of employment of the 538 recipients for whom old-age assistance was discontinued between July 1943 and July 1944 as follows:

"This employed group ranged in age from 65 to 87 years and was 82 percent men and 18 percent women. The median age of both sexes at the time employment was secured was 71 years. "Most of the men who were able to achieve self-maintenance through employment were hired as service workers. They included janitors, hospital and institutional attendants, dishwashers, and watchmen. About 11 percent of the employed males obtained work in war production industries, where their average weekly wage, after deductions, amounted to \$28.65. The remaining men were employed as carpenters, painters, farm, road, and other laborers, and as non-war factory and clerical employees. The highest income among the employed males was the \$206 monthly wage of a carpenter.

"Domestic employment offered economic independence to many women who had previously been compelled to depend upon old-age assistance for their maintenance. The greatest number of employed females secured positions as housekeepers. Only a small percentage of the group was industrially located, in either war production or nonwar production factories, where their earnings ranged from \$15.00 to \$25.00 weekly. Others became self-supporting as practical nurses, laundry workers, chambermaids, matrons and dressmakers."²

The Minnesota agency reported similar information for the persons who left the old-age assistance rolls because they were working. In the last half of 1943, more than half were

² Division of Old-Age Assistance, Department of Institutions and Agencies, "Old-Age Assistance Statistics for July 1944."

at least 70 years old and more than nine-tenths were men.³

Broadened programs for physical and vocational rehabilitation and for placement have played an important part in some States in enabling recipients to work. The employment of more blind persons probably best demonstrates the effectiveness of such programs.

The State Office of Vocational Rehabilitation in Oregon has listed the occupations in which blind persons who formerly received public assistance have found work. The list includes operating lathes, drill presses, power hacksaws, and milling machines; running patch-cutting machines and taping machines, and feeding dry kilns in veneer plants; weaving, splicing, and sizing ropes in rigging lofts of ship construction plants; and operating boarding mills and packaging hardware in plants making prefabricated houses. Some individuals work as electricians' helpers and operators of rethread machines in the salvage division of shipyards; as shipping clerks, assemblymen, folders, wool dyers and shrinkers in textile mills, and core makers and compound sifters in foundries; as masseurs in health centers, dictaphone operators in offices, and wrappers and packers in bakeries. They also perform a variety of operations in fruit and vegetable canneries.

The proportions of cases closed in the various States because of new or increased employment differ with the degree of labor shortage and, in some States, with the fixed amount of income that makes recipients ineligible for assistance. In the second half of 1943, Delaware had a higher rate of closings in old-age assistance due to the employment of recipients than has been reported for any other State—19 per 1,000 open cases, with an additional 3 cases per 1,000 closed because of the employment of spouses. Manpower demands have been heavy in this State, and old-age assistance must be discontinued if recipients have as much as \$25 a month in other income. In contrast, California specifies that the total income of aged recipients must be at least \$50, and Colorado, at least \$45. The highest rate of closings due to the employment of the recipient or spouse reported by either of these States is 7 cases per

Table 3.—Old-age assistance: Number of cases closed because need decreased, per 1,000 open cases, under State-Federal programs, July–December 1943, and by State, January–June 1944

State	Total number closed because need decreased	Number closed for specified reason per 1,000 open cases					
		Total	Employment of—		Payments to dependents of service men	Other resources in home	Increased support from persons outside home
			Recipient or spouse	Other persons in home			
July–December 1943.....	58,287	25	18	13	14	17	12
January–June 1944.....	55,016	24	8	3	3	6	4
Alabama.....	397	12	3	1	4	3	1
Alaska.....	21	14	5		1	8	
Arizona.....	40	4	2		(²)	1	1
Arkansas.....	499	17	2	3	5	4	
California.....	2,548	15	6	1	(²)	6	2
Colorado.....	521	12	6		1	5	(²)
Connecticut.....	246	15	2	8	1	3	1
Delaware.....	47	27	7	1	5	2	12
District of Columbia.....	107	35	7	6	2	5	15
Florida.....	945	22	8	1	5	7	1
Georgia.....	1,482	19	4	1	9	5	(²)
Hawaii.....	22	13	6	2	1	2	2
Idaho.....	373	34	15	(²)	3	13	3
Illinois.....	8,435	56	13	17	2	5	19
Indiana.....	2,280	35	9	5	2	12	7
Iowa.....	689	13	6	1	2	3	1
Kansas.....	905	28	10	1	3	9	5
Kentucky.....	1,254	21	4	3	7	5	2
Louisiana.....	702	17	3	1	7	4	2
Maine.....	205	13	3		3	5	1
Maryland.....	387	27	6	3	2	4	12
Massachusetts.....	2,277	27	8	1	1	10	7
Michigan.....	1,675	18	9	2	2	2	3
Minnesota.....	983	16	6	1	3	5	1
Mississippi.....	460	16	2	2	8	3	1
Missouri.....	2,038	18	5	7	3	2	1
Montana.....	433	35	16	1	2	15	1
Nebraska.....	638	24	9		2	9	3
Nevada.....	26	12	6		1	4	1
New Hampshire.....	113	15	8		1	3	(²)
New Jersey.....	869	31	9	9	2	5	6
New Mexico.....	89	15	2	1	7	4	1
New York.....	3,454	29	10	3	2	5	9
North Carolina.....	946	26	5	4	7	9	1
North Dakota.....	164	17	7	1	3	5	1
Ohio.....	2,788	21	8	(²)	2	6	4
Oklahoma.....	1,224	15	5		3	5	2
Oregon.....	389	18	7	2	1	7	1
Pennsylvania.....	2,969	31	10	8	3	5	5
Rhode Island.....	111	14	5	3	1	4	1
South Carolina.....	438	19	3	2	9	4	1
South Dakota.....	229	16	5	1	3	6	1
Tennessee.....	585	14	4	1	6	3	(²)
Texas.....	6,477	35	10	(²)	8	16	1
Utah.....	307	21	9		1	8	2
Vermont.....	90	16	5	3	4	4	
Virginia.....	479	27	5	6	8	5	3
Washington.....	870	13	5	(²)	(²)	8	(²)
West Virginia.....	579	28	7	2	9	7	3
Wisconsin.....	1,101	21	10	2	2	6	1
Wyoming.....	88	24	11	1	3	7	2

¹ Excludes New York; data by detailed reason not available.

² Less than one-half case per 1,000 open cases.

1,000. In California the provision for not closing cases because of earnings from agricultural employment presumably kept the rate down somewhat.

The number of recipients who have left the rolls because they had new or increased earnings is, of course, only a partial report on the number employed. In most States, cases are not closed because of employment unless the earnings raise the total income of the recipients to an amount in excess of their requirements, including additional expenses incurred because they are working. Many per-

sons who remain on the rolls, therefore, are also partially self-supporting.

Since June 1943, local agencies in Michigan have recorded the number of recipients who reported employment that did not remove them from the rolls. From June 1943 to June 1944 there were nearly 2,200 recipients of old-age assistance in this group—almost as many as the number who left the rolls because they or their spouses were working. More than 1,000 families in which payees or dependent children were employed continued to receive aid to dependent children, in comparison with nearly

³ *Social Welfare Review*, Vol. V, No. 9 (February 1944), p. 15.

2,000 cases closed because of the earnings of mothers or children. The preponderance of cases closed in this program may result partly from the fact that Congress did not exempt earnings from agricultural employment for recipients of aid to dependent children. Undoubtedly, also, mothers and children more generally than aged persons could earn enough to meet their requirements and thus make assistance unnecessary.

Increased Resources Other Than Earnings of Recipients

Support by relatives.—The employment of other members of the family resulted in the discontinuance of assistance for additional recipients. In the first half of 1944, however, such employment closed fewer cases than employment of recipients, including that of mothers in families of dependent children. The earnings or other resources of other persons in the home and increased support from persons outside the home (other than servicemen's allowances) closed 8 cases per 1,000 in old-age assistance, 9 in aid to the blind, and more than 30 in aid to dependent children. The larger rate in aid to dependent children probably reflects a higher proportion of recipients living in families with additional employable members and a more general policy of State and local agencies to regard at least part of the income of other members of the family as available to the recipients.

Employment of the fathers closed 14 cases per 1,000 in the first half of 1944. Doubtless some of the fathers were incapacitated and previously unable to get work. Some divorced and deserting fathers received new or higher wages and assumed support of the children. Stepfathers, not required to support the dependent children in some States, assumed responsibility for meeting the need of other children. Contributions by older children who had reached maximum age or left school before the beginning of this reporting period undoubtedly were responsible for many of the 3,600 cases (11 per 1,000) closed because of the employment of family members other than parents and dependent children.

Because other members of recipients' families were often more employable than the recipients, many of them found work at an earlier period or were inducted into the armed forces. In most States the employ-

Table 4.—Aid to dependent children: Number of cases closed because need decreased, per 1,000 open cases, under State-Federal programs, July-December 1943, and by State, January-June 1944

State	Total number closed because need decreased	Number closed for specified reason per 1,000 open cases							
		Total	Employment of—				Payments to dependents of service-men	Support by remarriage of parent	Other ¹
			Mother	Father	Dependent child	Other persons in home			
July-December 1943.....	48,103	139	244	217	29	16	26	9	16
January-June 1944.....	35,996	113	35	14	7	11	25	8	13
Alabama.....	590	104	25	19	2	8	21	11	18
Arizona.....	178	91	22	17	2	15	16	9	10
Arkansas.....	553	97	16	14	3	7	24	20	13
California.....	782	98	30	10	19	8	12	9	10
Colorado.....	469	107	30	12	7	8	26	13	11
Connecticut.....	210	99	23	13	4	17	28	7	7
Delaware.....	28	96	17	14	10	10	21	3	21
District of Columbia.....	140	176	73	23		12	34		34
Florida.....	273	71	21	5	4	6	25	7	3
Georgia.....	392	77	23	10	1	5	24	8	6
Hawaii.....	80	111	31	14	7	18	5	19	17
Idaho.....	329	169	61	36		1	25	25	21
Illinois.....	3,204	121	55	7	8	10	25	8	8
Indiana.....	1,136	122	47	16	2	13	20	15	9
Iowa ²	262	77	23	4	11	4	18	11	6
Kansas.....	763	167	50	27	8	7	37	17	21
Kentucky.....	144	32	7	1	2	2	14	3	3
Louisiana.....	1,090	93	15	18	4	7	31	6	12
Maine.....	119	73	27	7	5	7	18		9
Maryland.....	472	130	37	18	9	14	23	6	23
Massachusetts.....	916	107	33	12	13	10	15	4	20
Michigan.....	1,542	99	38	9	2	13	20	7	10
Minnesota.....	839	122	41	14	15	8	25	9	10
Mississippi.....	227	72	14	6	4	2	29	13	4
Missouri.....	1,208	93	27	8	1	12	24	13	8
Montana.....	232	130	38	15	7	3	25	15	27
Nebraska.....	372	106	39	9	1	6	26	11	14
New Hampshire.....	60	75	21	9	1	8	24	6	6
New Jersey.....	589	123	55	1	9	29	12	6	11
New Mexico.....	227	89	16	14	4	5	25	14	11
New York.....	2,726	119	53	10	12	13	15		16
North Carolina.....	818	104	26	8	4	13	26	11	16
North Dakota.....	224	117	28	9	17	3	35	13	12
Ohio.....	1,312	132	40	9	19	18	24	12	10
Oklahoma.....	1,375	87	27	9	1	4	19	14	13
Oregon.....	113	78	25	3	8	4	7	22	9
Pennsylvania.....	6,515	211	46	37	13	28	49	6	32
Rhode Island.....	190	145	41	18	12	15	40	7	12
South Carolina.....	287	70	19	9	2	7	24	3	6
South Dakota.....	134	75	20	12	1	1	14	17	10
Tennessee.....	994	80	22	9	2	3	31	10	3
Texas.....	1,161	90	27	10	2	18	26		7
Utah.....	285	119	28	20	23	5	18	11	14
Vermont.....	29	44	13	6	1	5	5	5	9
Virginia.....	417	94	22	13	7	14	25	3	10
Washington.....	207	54	22	8	4	3	11		6
West Virginia.....	866	104	21	24	2	4	37	8	13
Wisconsin.....	849	106	41	9	10	7	23	3	13
Wyoming.....	68	129	59	13		6	30	6	15

¹ Includes other resources of persons in home and increased support from persons outside home.

² Excludes New York; data by detailed reason not available.

³ First payments under approved plan in Iowa made in January 1944.

ment of such persons and contributions from relatives are believed to have had a larger role in closing cases earlier in the war period. In Illinois, however, 5,300 cases of old-age assistance were closed in the first half of 1944 for these reasons, in contrast to only 410 cases in the preceding half year. A stricter policy of discontinuing the assistance of aged recipients whose children are deemed able to support them caused this increase. The number of such closings in Illinois in the first half of 1944 was almost one-third the number in the country.

Payments to dependents of service-

men.—Near relatives of some aged and blind recipients and older brothers and sisters of dependent children have entered the armed forces. The willingness of these relatives to have deductions made from their pay and the Federal provisions for allowances, military insurance, and other payments to dependents of servicemen have taken a substantial number of recipients from the rolls during the war. Allowances were initiated during the autumn of 1942 and probably became available to the largest proportion of each case load during that winter. In the first half of 1944, al-

lowances and other payments to servicemen's dependents closed only 3 per 1,000 cases of old-age assistance and 5 per 1,000 of aid to the blind, but as many as 25 cases of aid to dependent children per 1,000 total cases.

State agencies have reported that many of the payments to dependents of servicemen that are currently responsible for the closing of cases are received by families of boys and girls who until recently had themselves been "dependent" children. Although most of the servicemen's allowances received by recipients are based on the lower scale for Class B dependents, they nevertheless are higher than the amount of assistance permitted under the standards of many States. Higher Class A allowances, some of them initiated by divorced or previously deserting fathers, are supporting some families who formerly received assistance.

Other income.—Miscellaneous resources of recipients and other persons in their homes closed 6 cases per 1,000 of old-age assistance, 5 per 1,000 of aid to the blind, and 7 per 1,000 of aid to dependent children. In some instances, more active real-estate markets enabled recipients to liquidate small property holdings which would have been sacrificed if assistance had not been provided. New Jersey reported closings in old-age assistance because of inheritances from relatives or friends, sale of real estate, benefits from commercial and social insurance, and industrial pensions.⁴ In rural areas, some cases closed because of increased income from farms may have been included among these closings rather than under closings because of new or increased earnings from employment.

Closings Because of Migration

Despite their handicaps, recipients of the special types of assistance occasionally move to another State. The proportion who have moved seems to have increased from 1941 to 1943, as did general interstate migration. Some of the cases closed when families migrated to take jobs elsewhere, or when recipients joined relatives who had become able to support them, cannot be identified as cases involving interstate migration be-

Table 5.—Aid to dependent children: Number of cases closed because of loss of eligibility other than need, per 1,000 open cases, under State-Federal programs, July-December 1943, and by State, January-June 1944

State	Total number closed because of loss of eligibility other than need	Number closed for specified reason per 1,000 open cases						
		Total	Child reached maximum age	Child not attending school	Absent parent returned	Parent no longer incapacitated	Parent remarried	No eligible payee available
July-December 1943.....	10,153	30	10	6	5	3	3	3
January-June 1944.....	8,876	28	10	6	4	3	2	3
Alabama.....	154	27	5	4	10	6		2
Arizona.....	30	16	14					2
Arkansas.....	100	17	5	6				6
California.....	157	19	10		4	5		
Colorado.....	125	29	5	10	5	5		4
Connecticut.....	37	17	5	8				4
Delaware.....	8	27	7	3	7	3	7	
District of Columbia.....	17	21	5		11	1		1
Florida.....	97	25	8	15	1			(1)
Georgia.....	168	31	23		3	1		4
Hawaii.....	17	24	1		9	10		4
Idaho.....	37	19	5	9	3	1		1
Illinois.....	782	30	7	10	3	2		8
Indiana.....	411	44	32		3	5		4
Iowa.....	50	15	4	4	4	2		1
Kansas.....	126	28	10	9	1	3		4
Kentucky.....	60	13	3	2	4		1	2
Louisiana.....	320	27	8	6	2	5		2
Maine.....	58	36	9	9	1	3	11	3
Maryland.....	103	29	7	6	8	5		3
Massachusetts.....	337	39	6	8	10	7	4	4
Michigan.....	410	26	6	11	4	2		3
Minnesota.....	264	38	14	12	4	6		2
Mississippi.....	47	15	6	3	3		1	(1)
Missouri.....	351	27	15	5	3			6
Montana.....	75	42	8	11	9	8		1
Nebraska.....	168	48	33		4	9		2
New Hampshire.....	25	31	14		4	5	4	4
New Jersey.....	249	52	8	20	7	6		11
New Mexico.....	45	18	4	5	2	4		3
New York.....	355	16	3	1	3	1	6	2
North Carolina.....	271	35	4	9	12	4		6
North Dakota.....	49	25	9	1	3	11		1
Ohio.....	244	24	9	6	3	2		4
Oklahoma.....	410	26	19		4	3		(1)
Oregon.....	52	36	11	16	1	1		7
Pennsylvania.....	605	20	7	4	8	(1)		1
Rhode Island.....	16	12	3	5		2		2
South Carolina.....	110	27	13		5	4	4	1
South Dakota.....	61	34	30		3			1
Tennessee.....	319	26	20		2	2	1	1
Texas.....	565	44	17		4	2	20	1
Utah.....	60	25	10	5	1	2	2	5
Vermont.....	30	45	23		15		6	1
Virginia.....	147	33	4	4	7	6	6	6
Washington.....	209	54	10	13	4	6	20	1
West Virginia.....	207	25	3	10	3	4		5
Wisconsin.....	326	40	6	10	6	5	10	3
Wyoming.....	22	41	21	3		2	3	12

Less than one-half case per 1,000 open cases.

cause they were reported among the cases closed because need decreased. The liberalization of residence requirements has permitted many States to continue assisting needy persons who are temporarily out of the State. Because of such liberalizations and probably also because of a slackening in migration of persons in search of work in war industries, the proportions of cases reported as closed solely because recipients left the State has dropped since 1943. In the first half of 1944 such closings represented 1 case per 1,000 in old-age assistance and aid to the blind and 4 per 1,000 in aid to dependent children.

Other Reasons for Closing Cases of Old-Age Assistance and Aid to the Blind

Death.—In each year, death accounts for more than half of the closings of old-age assistance cases. It is also the most common single reason for closing cases of aid to the blind. In the most recent 6-month period it removed from the rolls 46 per 1,000 recipients of old-age assistance and 29 per 1,000 recipients of aid to the blind. The death rate for aged recipients has increased during the war although the general expectation of death has probably not in-

⁴ Division of Old-Age Assistance, Department of Institutions and Agencies, "Old-Age Assistance Statistics for July 1944."

creased for individual recipients. Because many of the younger and more able-bodied individuals 65 years of age or older have left the rolls or have not applied for old-age assistance, the average age of recipients has risen and a somewhat larger proportion of infirm persons are represented in the case load. The State agency in Pennsylvania ascribed part of the increased death rate for aged recipients in this State in the first quarter of 1944 to deaths from influenza; this epidemic may also have raised the rate in some other States.

Admission to institutions.—With very few exceptions, State plans follow the precedent set by the Social Security Act in specifying that persons who live in public institutions are ineligible for assistance. Most States may assist residents of private institutions unless the cost of such care is otherwise provided. The number of closings because aged or blind recipients entered institutions has increased during the war. Assistance to about 5 in 1,000 recipients in each program was discontinued for this reason in the last 6-month period. Most of these recipients entered public institutions. The changes in the characteristics of the case load which have resulted in a higher proportion of deaths may also have increased the admission to institutions. Scarcity of labor and higher living costs, moreover, have reduced the number of boarding homes available for aged and blind persons and increased the difficulty of caring for them in the homes of relatives. Some recipients who would otherwise have remained in their own or boarding homes have, therefore, found it necessary to enter institutions.

Loss of eligibility for other reasons.—Inasmuch as old-age assistance and aid to the blind are planned for groups with comparatively permanent handicaps, loss of eligibility except through decreased need or institutionalization is comparatively rare. Complete or partial restoration of vision through medical or surgical treatment closed the cases of 288 recipients of aid to the blind in the first half of 1944. This rate, 5 per 1,000, was smaller than in 1942, undoubtedly because of the greater opportunities for employment without restorative treatment and the greater difficulty in obtaining such treatment under wartime conditions. Several States reported no cases closed for

this reason during this half year. In 7 States,⁶ on the other hand, restoration of vision closed much larger proportions of cases than in the country as a whole. Many State agencies are actively exploring the possibilities of rehabilitation of blind recipients under the Vocational Rehabilitation Act Amendments of 1943 (Public, No. 133, 78th Cong.). The high proportion of aged persons receiving aid to the blind, however, limits such possibilities.

Some State laws make it necessary to discontinue assistance for a recipient when the value of his property exceeds the prescribed limits even though his current income may not have increased. Missouri closed 559, and Michigan 469, cases of old-age assistance because of such automatic loss of eligibility.

Other Reasons for Discontinuing Aid to Dependent Children

In the first half of 1944, aid to dependent children was discontinued for at least 28 families per 1,000 because they no longer met a particular requirement for eligibility other than need. The changes that may terminate eligibility in this program are more numerous than for the other two programs because of the greater variety of circumstances which govern eligibility.

One of the most common reasons for aid to dependent children is the death of a parent—usually the father. About 10 families per 1,000 left the rolls in the first half of 1944 because of the remarriage of a widowed or divorced parent or the marriage of an unmarried mother. Some of these cases—8 per 1,000—are reported as closed because need decreased (table 4); the others, because of loss of eligibility other than need (table 5).

The classification of these closings depends on the legal responsibility of stepparents to support stepchildren and on agency regulations. The cases reported closed because of decreased need represent voluntary assumption of support or care by stepparents for children who otherwise would have been considered still eligible for aid to dependent children. Where support by the stepfather is required by law or assumed by the agency to exist, cases must be closed when the mother remarries, even if the stepfather does

not provide for the children. Assistance was discontinued for 2 families per 1,000 because of such automatic loss of eligibility. In 4 states,⁷ all the cases closed by the remarriage of a parent were thus reported (table 5), and in an additional 13 States one or more counties reported such closings. Under current employment conditions it is probable that assistance became unnecessary for most of these children as well as for those whose cases were closed because need decreased.

The recovery of an incapacitated parent is another ground for a child's loss of eligibility for aid. Only 3 cases per 1,000 were reported closed for this reason in each of the last 2 half years. As mentioned above, the tight labor market created a demand for the services of an unknown number of parents who continued to be too incapacitated for any work usually available in their communities. When their employment made assistance unnecessary, the closing of the cases was reported under need decreased because of the employment of fathers. More serious incapacity doubtless made recovery less frequent for the other incapacitated parents. It is probable that the approximately 1,000 parents whose recovery caused their children to lose eligibility also obtained employment which decreased the need of the children. Prospects for permanent self-support is brighter for these families than for those in which incapacitated parents got wartime employment.

A relatively small group of families—4 per 1,000 in the first half of 1944—lost eligibility because a parent who had been away from the home returned to the family. All but 5 States⁷ reported some cases closed for this reason.

Assistance had to be discontinued for some 900 families in the first half of 1944 because the relative with whom the children had been living died or a change in circumstances made it impossible to continue this living arrangement and a substitute had not been arranged. Assistance to another 600 children was discontinued when institutional care was arranged for the children. These two changes in circumstances removed less than 5 families per 1,000 from the rolls, an evidence that, in general, the

⁶ Alabama, Arizona, Kansas, Louisiana, Montana, North Dakota, South Carolina.

⁷ Maine, New York, Texas, Washington.

⁸ Arizona, Arkansas, Connecticut, Rhode Island, Wyoming.

goal of enabling children to live in family homes is being attained.

Aid to dependent children has been planned also to provide economic security and educational opportunity until the children are old enough to assume self-support or no longer need an adult relative in the home to care for them. All States except Texas aid children to age 16 at least, although in Missouri children 14 and 15 are eligible only if they attend school. In the first half of 1944, children 16 and 17 also were eligible in 33 States if they attended school regularly. Three States⁸ aided any children under 18 who met other requirements for eligibility. States discontinue aid to individual children when they are no longer eligible, but the case is not closed so long as eligibility continues for younger children in the family.

During the first half of 1944, assistance to 3,100 families—10 per 1,000—was discontinued because the youngest or only child had reached the age limit, and to 1,700 additional families—6 per 1,000—because the youngest or only child left school. Some of the children over maximum age may have remained in school after assistance was discontinued, especially in the States with 14 or 16-year age limits. It can be assumed, however, that many of the children in the cases closed for both of these reasons obtained employment within the half year. While the cases were closed because of loss of eligibility apart from need, many of them doubtless constitute another example of closings accompanied by changes in circum-

stances that also decreased the need of the families.

The national rate of closings because older children left school—6 per 1,000—was lowered by the absence of closings for this reason in 14 States which did not require school attendance. In about half of the States in which both reasons apply, closings because children left school exceeded closings because children reached the age limit; in New Jersey, North Carolina, and West Virginia, they were more than twice as frequent.

Closings During the War Period

The cases closed during the last half year illustrate the variety of circumstances that now permit the termination of assistance, and show the relative importance of each reason for closing. An appraisal of the total effect of war conditions on public assistance case loads requires a longer perspective. Between July 1, 1941, and July 1, 1944, old-age assistance and aid to the blind were discontinued temporarily or permanently for at least one-third of the persons on the rolls at some time during the 3 years. Reasons other than death may have removed one-sixth of the aged recipients and perhaps as many as one-fourth of the blind. About two-thirds of all families who received aid to dependent children after June 1941 left the rolls, at least temporarily, before July 1, 1944. In each program, of course, some closings were due to changes in circumstances not related to the war. The duration of other means of support proved to be only temporary for some of the recipients

who left the assistance rolls during the war. An unknown number returned to the rolls, and some of these cases were closed again within the 3 years.⁹

Even during years of unprecedented employment opportunities, however, the need for assistance has continued for large proportions of those who have received old-age assistance and aid to the blind since 1941, and for a substantial proportion of the families who have received aid to dependent children. For these recipients, any increase in income resulting from war conditions has been accompanied by equal or greater increase in need.

As pointed out before, rates for the first half of 1944 were lower than somewhat earlier in the war period for most types of closings except those caused by the death or institutionalization of aged or blind recipients. It is probable that even fewer recipients remaining on the rolls have potential resources that may make assistance unnecessary. Families receiving aid to dependent children are an exception, since most of them can be expected to achieve ultimate self-support if family care and education are provided as long as they are needed. Nevertheless the number of closings because of the earnings of mothers or because children left school raises questions as to whether the objectives of this program have been sacrificed for some of the children who have left the rolls during the war.

⁹ The proportions of cases closed in the 3 years are based on data that do not exclude reopenings or second closings of identical cases. The proportions above, therefore, are partially estimated.

⁸ California, North Dakota, Hawaii.

Statistics for the United States

Public assistance payments for the continental United States totaled \$78.6 million in October (table 6), an increase of \$660,000 or 0.9 percent over September payments. The increases which occurred in all four programs were very small for old-age assistance and aid to the blind (0.5 and 0.2 percent, respectively), slightly more for aid to dependent children (1.3 percent), and relatively substantial for general assistance (3.1 percent). Changes in the number of recipients were in the opposite direction—slight decreases for old-age assistance, aid to the blind, and general assistance (0.1 percent) and a somewhat larger decrease for aid to dependent children (0.3 percent). As a result, average payments for all four types

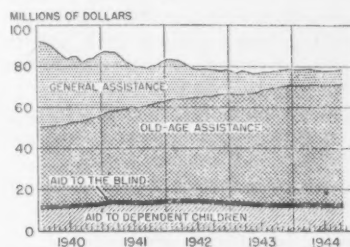
showed slight rises, all less than a dollar, but more for aid to dependent children and general assistance than for the other two programs.

Old-age assistance.—The slight decrease of 0.1 percent in number of recipients continued the downward trend which has now extended over 28 months, but was the smallest monthly decrease since December 1943. Changes in total payments ranged from a decrease of 1.7 percent in Alabama to an increase of 3.6 percent in New York.

Average payments increased somewhat in 40 States. In 28, payments were above the national average of \$28.12, but in 5 States the averages were less than half that amount.

Aid to dependent children.—Changes in the total number of recipients and in total payments fol-

Chart 1.—Public assistance payments in the continental United States, January 1940–October 1944



lowed the general trends of the past 2½ years. Monthly changes in the number of children aided, however, varied from a drop of 7.9 percent in Minnesota to a rise of 6 percent in Florida. Total payments decreased 3.9 percent in Idaho, but increased 14.5 percent in Illinois. Thirty States showed an average payment lower than the national average of \$44.52.

Table 6.—Public assistance in the continental United States and in all States with plans approved by the Social Security Board, by month, October 1943–October 1944¹

Year and month	Continental United States						States with approved plans					
	Total	Special types of public assistance				General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	
		Old-age assistance	Aid to dependent children		Aid to the blind							
			Families	Children					Families	Children		
Number of recipients												
October 1943		2,155,246	280,020	693,562	76,137	297,000		2,158,178	278,131	689,817	59,833	
November		2,151,542	275,505	682,547	75,762	292,000		2,154,466	273,689	678,916	59,463	
December		2,146,066	272,346	675,844	75,593	292,000		2,148,988	270,594	672,368	59,363	
1944												
January		2,133,701	269,771	671,556	75,035	288,000		2,136,611	270,270	673,207	58,955	
February		2,130,054	267,849	667,052	74,745	283,000		2,122,946	268,343	668,684	58,702	
March		2,110,549	265,952	662,920	74,434	281,000		2,113,442	266,451	664,565	58,434	
April		2,101,550	264,139	659,192	74,247	273,000		2,104,448	264,632	660,822	58,236	
May		2,062,928	262,655	655,812	73,984	266,000		2,065,825	263,142	657,417	58,070	
June		2,084,018	260,220	650,700	73,816	258,000		2,086,908	260,709	652,302	57,899	
July		2,077,958	255,828	640,455	72,742	255,000		2,080,828	256,283	641,977	56,849	
August		2,072,470	253,121	636,990	72,598	254,000		2,075,325	253,565	638,480	56,721	
September		2,067,544	252,275	635,234	72,518	254,000		2,070,395	252,728	636,741	56,659	
October		2,066,374	251,569	633,064	72,425	253,000		2,069,137	252,000	634,541	56,546	
Amount of assistance												
October 1943		\$78,086,264	\$56,601,430	\$11,307,179	\$2,107,655	\$8,070,000	\$69,591,941	\$56,673,838	\$11,286,140	\$1,631,963		
November		78,203,656	56,881,691	11,308,070	2,105,895	7,908,000	69,875,830	56,954,094	11,290,169	1,631,507		
December		78,724,086	57,207,038	11,293,702	2,113,346	8,110,000	70,194,858	57,279,774	11,274,453	1,640,631		
1944												
January		78,443,603	57,226,850	11,237,946	2,103,807	7,875,000	70,203,332	57,299,846	11,266,900	1,636,586		
February		78,510,410	57,236,731	11,300,984	2,106,695	7,806,000	70,278,831	57,309,703	11,329,214	1,639,914		
March		78,564,348	57,231,425	11,312,457	2,105,466	7,915,000	70,286,167	57,304,625	11,340,734	1,640,808		
April		78,270,356	57,348,644	11,311,169	2,110,543	7,500,000	70,406,772	57,422,604	11,339,349	1,644,729		
May		78,103,683	57,398,136	11,238,081	2,121,466	7,345,000	70,396,447	57,472,466	11,265,833	1,658,148		
June		77,025,495	57,417,271	11,203,035	2,124,169	7,181,000	70,384,783	57,491,829	11,231,112	1,661,842		
July		77,749,410	57,575,446	11,116,371	2,101,503	6,956,000	70,432,685	57,649,732	11,143,299	1,639,654		
August		77,935,659	57,776,108	10,957,930	2,106,621	7,095,000	70,481,280	57,850,680	10,985,632	1,644,977		
September		77,968,970	57,816,332	11,047,689	2,107,949	6,997,000	70,617,983	57,893,807	11,076,119	1,648,057		
October		78,632,714	58,113,233	11,191,551	2,111,930	7,216,000	71,062,598	58,190,413	11,220,026	1,652,159		

¹ Partly estimated and subject to revision. For monthly data January 1933–December 1941, see the *Bulletin*, February 1943, pp. 22–26; for 1942–43 data, see the *Bulletin*, February 1944, p. 27; for definitions of terms, see the September 1941 issue, pp. 50–51.

² Excludes estimated increase in payments due to change in payment dates for old-age assistance and aid to the blind in Baltimore, Md.; for aid to dependent children in Baltimore, Md., and New York City; and for general assistance in New York City.

State averages ranged from \$20.88 in Texas to \$84.32 in Washington State. An increase of \$5.52 in the average payment in Illinois resulted from the State agency's raising from \$18 to \$40 the maximum amount payable to

a mother and one child. In two additional States, Delaware and the District of Columbia, the average payment increased more than \$2.

Aid to the blind.—The number of recipients decreased slightly for the sixteenth consecutive month; total payments were a little higher than in September. The range in percentage changes in number of recipients was from a decrease of 7.8 percent in Connecticut to an increase of 1.1 percent in Alabama, Massachusetts, and New Mexico. There was no change in two States. Monthly changes in total payments in the States ranged from a decrease of 3.1 percent in Connecticut to an increase of 3.2 percent in New Hampshire. The average payment in 26 States was above the national average of \$29.16.

General assistance.—The number of cases receiving general assistance in September remained about the same as for the previous month; States in which there were increases numbered about the same as those in which there were decreases. Total payments increased 3.1 percent, thus

raising the average payment by nearly \$1.

The most noticeable changes were a decrease of 15 percent in recipients for Nevada, and increases in payments of 18.6 percent for Colorado

Chart 2.—Recipients of public assistance in the continental United States, January 1939–October 1944

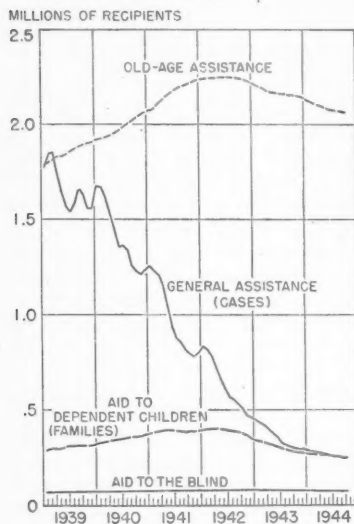


Chart 3.—Payments to recipients of public assistance in the continental United States, January 1939–October 1944

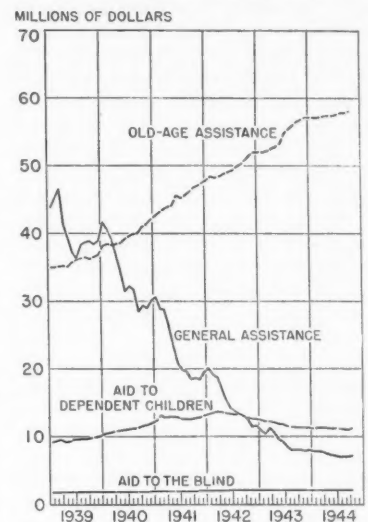


Table 7.—Old-age assistance: Recipients and payments to recipients, by State, October 1944¹

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	September 1944 in—		October 1943 in—				Total amount	Average	September 1944 in—		October 1943 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total ²	2,069,137	\$58,190,413	\$28.12	—0.1	+0.5	—4.1	+2.7	Mo.	102,438	\$2,315,142	\$22.60	—0.1	+0.5	—4.4	+3.8
Ala.	30,273	481,299	15.96	+1.2	—1.7	+17.9	+15.9	Mont.	10,950	324,278	29.61	—4.4	+2	—5.8	+6.1
Alaska	1,363	44,280	32.49	—8	(³)	—5.2	—5	Nebr.	24,837	657,407	26.47	—3	(³)	—6.2	—2.0
Ariz.	9,510	365,688	38.45	—1	(³)	—1.1	+8	Nev.	1,954	74,678	38.22	—5	—6	—4.6	—3.2
Ark.	27,733	487,890	17.58	+7	+2.0	+6.2	+23.2	N. H.	6,588	185,703	28.19	+1	+1.2	—4.0	+1.6
Calif.	157,954	7,459,365	47.22	+1	(³)	+1.2	+1.1	N. J.	24,887	740,379	29.75	—4	+8	—3.5	+8.2
Colo.	*40,762	*1,681,703	41.26	—1	—1	—1.7	—1.4	N. Mex.	5,463	176,479	32.30	+6	+6	+5.9	+15.7
Conn.	14,209	494,676	34.81	—2	+1	—6.5	+4.6	N. Y.	106,652	3,674,245	34.45	—4	+3.6	—6.4	+3.1
Del.	1,464	21,691	14.82	—1	+1	—16.5	—8.3	N. C.	33,096	380,294	11.49	—3	+5	—7.2	—5
D. C.	2,634	85,274	32.37	—9	+1.3	—13.3	+7	N. Dak.	8,781	283,571	32.29	—2	+3.1	—3.1	+24.5
Fla.	39,180	1,112,743	28.40	+6	+9	—2.5	+76.5	Ohio	123,060	3,678,512	29.08	—3	+2	—6.6	—2.1
Ga.	68,326	758,944	11.11	—3	(³)	—3.1	+5.0	Okla.	76,887	2,054,575	26.72	—1	+3	—3	+11.8
Hawaii	*1,400	*32,900						Oreg.	19,720	677,497	34.36	+5	+8	+7	+18.5
Idaho	9,827	298,553	30.38	—2	—5	+1.6	+13.9	Pa.	84,493	2,435,141	28.82	—1	+1	—5.0	—2.7
Ill.	124,689	3,870,892	31.04	—4	—3	—14.2	—8.5	R. I.	7,213	232,670	32.26	+4	+8	—1.4	+9.2
Ind.	57,890	1,426,554	24.64	—4	(³)	—8.0	—1.1	S. C.	21,433	296,924	13.85	+3	+6	+2.2	+9.0
Iowa	50,696	1,507,174	29.73	—2	+1.0	—5.2	+9.4	S. Dak.	12,980	310,631	23.93	—2	(³)	—5.7	+4.2
Kans.	28,291	807,130	28.53	—2	+1.9	—4.3	+1.7	Tenn.	38,272	634,876	16.59	(³)	—1	—1.6	+6.0
Ky.	33,344	602,440	11.29	—8	—6	—1.2	+7.3	Tex.	169,472	3,657,605	21.58	—2	—2	—6.5	—2.6
La.	36,418	806,142	22.14	+1	+4	—2.1	+5.0	Utah	13,160	490,056	36.93	+1	+2	—4.1	—3.3
Maine	14,983	420,801	28.09	—1	+6	—3.7	+12.3	Vt.	5,143	105,898	20.59	—8	—8	—5.0	+1.5
Md.	12,083	320,526	26.53	—5	+5	—10.2	+4.5	Va.	15,829	205,069	12.96	—5	+2	—8.1	+4.0
Mass.	74,943	3,032,006	40.46	+1.3	+2.1	—5.0	—6	Wash.	59,952	2,267,205	37.82	(³)	(³)	—2.1	—5
Mich.	85,215	2,528,213	29.67	(³)	+5	—3.1	+2.0	W. Va.	18,533	337,554	18.21	(³)	+4	—2.4	+37.3
Minn.	56,590	1,638,572	28.96	—3	(³)	—5.0	+1.7	Wis.	46,575	1,304,906	28.02	—2	+2	—5.9	+7
Miss.	27,683	404,086	14.60	+1.6	+1.8	+8.9	+68.5	Wyo.	3,289	103,694	31.50	+1.0	+1	—2.7	—1.4

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50–51. All data subject to revision.

² All 51 States have plans approved by Social Security Board.

³ Increase of less than 0.05 percent.

⁴ Includes \$87,537 for payments to 2,116 recipients aged 60 but under 65 years.

⁵ Estimated.

⁶ Decrease of less than 0.05 percent.

Table 8.—General assistance: Cases and payments to cases, by State, October 1944¹

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	September 1944 in—		October 1943 in—	
				Number	Amount	Number	Amount
Total ²	254,000	\$7,235,000	\$28.48	0	+3.1	-14.7	-10.5
Ala.	2,905	42,038	14.47	+1.2	-3	+16.9	+42.2
Alaska	108	3,149	29.16	-6.9	+3.2	+3.8	+64.3
Ariz.	2,120	62,916	29.68	-5	+3.8	+1.3	+16.1
Ark.	2,826	32,140	11.37	-2.0	-4	-2.0	+33.1
Calif.	11,092	387,885	34.97	+1.7	+2.1	-8.5	+8.0
Colo.	4,542	136,352	30.02	+1.0	+18.6	+2.7	+22.7
Conn.	2,547	82,510	32.39	+2.0	+4.8	-14.1	-8.9
Del.	324	8,093	24.98	-1.2	+4.0	-9	+6.6
D. C.	823	30,850	37.48	+1	+3.3	-6.3	+38.9
Fla.	4,500	43,000					
Ga.	2,640	30,527	11.56	+9	+7.2	-15.8	-2.7
Hawaii	4,500	16,200					
Idaho	611	12,357	20.22	+1.3	+3.1	-10.4	+3.0
Ill.	25,959	924,733	35.51	-1.6	+8.7	-27.5	-16.7
Ind.	5,771	123,471	21.40	+3.0	+8.0	-19.7	-12.3
Iowa	4,171	81,833	19.62	+5	+7.7	-31.7	-26.0
Kans.	3,362	91,388	27.18	-1.1	+1.2	-17.4	-7.0
Ky.	1,800	24,000					
La.	6,405	109,962	17.17	-8	+1	+18.3	-1.0
Maine	1,903	56,641	29.76	+1.3	+1.8	-16.1	-4.0
Md.	4,411	149,413	33.87	+6	+2.0	-1.6	+18.8
Mass.	12,852	407,666	31.72	+4	+5.2	-15.3	-10.7
Mich.	9,677	319,659	32.04	+1.6	+7.4	-14.5	-8.4
Minn.	5,604	153,347	27.36	+3	+8.8	-18.1	-12.5
Miss.	296	2,099	7.09	-6.6	-6.8	-33.2	-27.5
Mo.	7,599	180,185	23.71	+2.6	+5.0	+14.4	+25.8
Mont.	1,181	28,171	23.85	-3	-7	-5	+18.1
Nebr.	1,694	33,661	19.87	-1.6	+4.0	-16.1	-2.3
Nev.	204	3,515	17.23	-15.0	-4.9	-1.0	-20.1
N. H.	1,299	36,221	27.88	+1.8	+7.0	-21.0	-13.6
N. J.	4,923	160,782	32.66	+3	+7.8	-34.6	-28.4
N. Mex.	952	18,989	19.95	+5	+2.2	-12.8	+17.2
N. Y.	39,142	1,779,514	45.46	-9	+9	-30.9	-23.3
N. C.	2,398	24,351	10.15	+1.7	+4.6	-11.0	+5.1
N. Dak.	645	14,984	23.23	-4.7	+6	-27.0	-18.1
Ohio	11,234	307,511	27.37	-3	+3.4	-13.2	-5.2
Okl.	4,987	41,441	(³)	(³)	(³)	(³)	(³)
Oreg.	3,250	122,979	37.84	+3.1	+12.9	+19.4	+25.7
Pa.	20,951	473,284	22.59	-4.0	-8.2	-22.1	-20.0
R. I.	1,807	65,971	36.51	-4.3	+11.3	-1.0	-5.4
S. C.	2,578	27,586	10.70	-1.0	-1.1	+5.7	+13.3
S. Dak.	834	16,403	19.67	-3.4	+1.1	-16.8	-8.8
Tenn.	1,200	49,000					
Tex.	2,800	42,000					
Utah	1,439	57,068	39.66	-8	+1	-9.7	-5.1
Vt.	826	18,830	22.78	+9	+1.5	-14.5	-6.7
Va.	3,133	47,594	15.19	-6	+2.5	-14.1	+1.9
Wash.	13,501	268,928	19.92	+6.4	+4.1	+128.6	+26.0
W. Va.	4,660	82,924	17.79	-3.4	-1.8	+21.2	+82.0
Wis.	4,871	119,977	24.63	-1.5	+5.1	-26.7	-20.9
Wyo.	344	9,145	26.58	-3.6	-3.3	-18.9	-5.6

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

² Partly estimated; does not represent sum of State figures, because total excludes estimated number of cases and payments for medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

³ State program only; excludes program administered by local officials.

⁴ Estimated.

⁵ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 60 percent of total.

⁶ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁷ Excludes a few cases and a small amount of local funds not administered by the State agency.

⁸ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁹ Represents 1,948 cases aided by county commissioners, and 3,039 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 9.—Aid to the blind: Recipients and payments to recipients, by State, October 1944¹

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	September 1944 in—		October 1943 in—	
				Number	Amount	Number	Amount
Total	72,485	\$2,113,530	\$29.16	-0.1	+0.2	-4.9	+0.2
Total, 46 States ²	56,546	1,652,159	29.22	-2	+2	-5.5	+1.2
Ala.	736	11,947	16.23	+1.1	-2.8	+11.9	+29.5
Ariz.	423	18,900	44.68	+7	+1.6	+7.9	+30.0
Ark.	1,227	24,364	19.86	+1.0	+1.7	+2.5	+18.4
Calif.	5,746	273,500	47.60	-8	-7	-11.4	-10.6
Colo.	508	18,176	35.78	+4	+5	-9.4	-7.2
Conn.	153	5,407	35.34	-7.8	-3.1	-1.9	+8.2
D. C.	227	8,244	36.32	+4	+6	-12.0	-7.6
Fla.	2,286	67,283	29.43	-4	(³)	-4.8	+3.6
Ga.	2,109	29,566	14.02	-9	-4	-3.0	+6.0
Hawaii	460	1,600					
Idaho	215	6,881	32.00	-9	-9	-9.3	+7
Ill.	5,249	169,958	32.38	+6	+9	-19.2	-14.5
Ind.	2,163	65,714	30.38	-1.5	-1.4	-7.1	-5.5
Iowa	1,331	43,107	32.39	-8	-4	-9.6	-6.7
Kans.	1,093	33,666	30.80	-9	+9	-9.4	-2.1
Ky.	1,609	21,009	13.06	-4	-3	+14.5	+22.5
La.	1,449	36,566	25.77	-6	-5	-2.9	+6
Maine	847	24,424	28.84	-6	+4	-8.9	+4.0
Md.	449	13,389	29.82	-2	+1.2	-5.9	+7.9
Mass.	940	39,227	41.73	+1.1	+1.6	-2.7	+24.2
Mich.	1,261	42,364	33.60	-2	-1	-2.7	+1.0
Minn.	937	32,887	35.10	-4	-1	-4.3	+5.1
Miss.	1,417	23,453	16.55	+9	+1.7	+3.3	+54.2
Mo.	5,000	75,000					
Mont.	314	9,650	30.73	+3	+7	+3.3	+12.6
Nebr.	493	12,513	25.38	-2.8	-2.9	-19.0	-16.7
Nev.	28	1,117	(³)	(³)	(³)	(³)	(³)
N. H.	272	7,866	28.92	+7	+3.2	-6.5	-2
N. J.	547	16,940	30.79	-4	-4	-9.7	-5
N. Mex.	265	7,778	29.35	+1.1	+1.0	+4.3	+3
N. Y.	2,873	108,887	37.90	+1	+2.9	+5.8	+21.0
N. O.	2,281	38,338	16.81	+2	+6	+2.8	+9.8
N. Dak.	118	3,797	32.18	+9	+8	-7.1	+18.7
Ohio	3,133	82,044	26.19	+1	+5	-8.0	-5
Okl.	1,863	54,663	29.34	-3	+4	-5.8	+3.9
Oreg.	371	16,292	43.91	0	+1.9	-4.1	+14.5
Pa.	18,911	385,254	20.34	+1	-1	-3.3	-3.6
R. I.	94	2,719	28.93	(³)	(³)	(³)	(³)
S. C.	880	17,019	19.34	-1	+1.4	+8.6	+27.6
S. Dak.	214	4,626	21.62	-9	-1.1	-10.8	+5.2
Tenn.	1,545	31,454	20.38	+1	+1	-1.5	+1.6
Tex.	4,003	110,938	24.10	+3	+4	+4	-1.4
Utah	128	5,204	40.66	-2.3	-2.4	-5	+1.4
Vt.	155	4,441	28.65	-1.9	-1.8	+2.0	+12.7
Va.	965	16,455	17.05	0	+5	-3.9	-13.5
Wash.	619	24,273	39.21	-1.6	-1.1	-16.5	-13.5
W. Va.	814	18,568	22.81	-1	+3	-6.8	+25.2
Wis.	1,472	41,812	28.40	-9	-3	-10.4	-3.5
Wyo.	122	4,350	35.66	-8	-1.1	+5.2	+8.4

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind. All data subject to revision.

² Total for States with plans approved by Social Security Board.

³ Includes program administered without Federal participation.

⁴ Decrease of less than 0.05 percent.

⁵ Estimated.

⁶ Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

and 11.3 percent for Rhode Island. Average payments in these States increased sizably—\$1.82 in Nevada, \$4.46 in Colorado, and \$5.14 in Rhode Island. Large increases in average payments occurred also in Alaska

(\$2.85), Illinois (\$3.35), Minnesota (\$2.13), and New Jersey (\$2.26).

According to information from 19 of the largest cities, the decline in general assistance loads was checked by an upward trend in case openings,

which reflected an increased volume of requests for assistance. October openings in these cities were 18 percent above those for September and more numerous than they have been for more than a year.

Table 10.—Aid to dependent children: Recipients and payments to recipients, by State, October 1944¹

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	September 1944 in—			October 1943 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total ²	252,104	634,775	\$11,223,766	\$44.52	-0.3	-0.3	+1.3	-10.2	-8.7	-1.0
Total, 49 States ³	252,000	634,541	11,220,026	44.52	-0.3	-0.3	+1.3	-9.4	-8.0	-0.6
Alabama	4,799	13,144	119,420	24.88	+6	+2.0	-1.8	+5.1	+4.3	+22.2
Alaska	35	111	1,915	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
Arizona	1,395	4,031	53,824	38.58	-9	-7	-5	-9.2	-7.0	-5.5
Arkansas	4,678	12,468	131,442	28.10	-8	-1	+1	-9.0	-6.4	+6.9
California	6,296	16,109	493,425	78.37	+9	+4	+1.8	-9.9	-8.2	+1.9
Colorado	3,338	8,973	120,009	35.95	-9	-6	-4	-9.3	-8.2	-6.9
Connecticut	1,862	4,791	140,325	75.36	+4	+1.1	+9	-1.1	+7	+15.6
Delaware	254	715	16,134	63.52	+3.3	+2.0	+7.5	+5.4	+7.8	+39.2
District of Columbia	839	1,695	32,304	59.33	-9	+1.3	+5.3	-22.7	-20.0	+34.4
Florida ⁵	3,955	9,640	130,802	33.07	+5.9	+6.0	+6.2	+30.1	+38.3	+61.4
Georgia	3,970	9,774	98,623	24.84	+1	+5	+1	-4.0	-2.8	-9
Hawaii	500	1,600	30,300							
Idaho	1,313	3,584	48,659	37.06	-3.5	-3.3	-3.9	-25.9	-25.0	-23.0
Illinois	19,813	47,320	769,935	38.86	-1.8	-1.3	+14.5	-19.4	-16.4	-3.1
Indiana	6,779	15,375	237,671	35.06	-2.2	-2.0	-1.6	-24.4	-22.5	-21.0
Iowa	3,030	7,474	81,832	27.01	-4	-6	-4	+27.4	+39.5	+67.7
Kansas	3,035	7,721	144,654	47.61	-8	-1.0	+1.2	-27.4	-23.0	-21.5
Kentucky ⁶	4,674	12,739	113,723	24.33	+3	(⁷)	+5	+68.8	+58.2	+66.1
Louisiana	9,329	24,016	340,757	36.53	-1.1	-1.2	-7	-15.9	-15.4	-16.1
Maine	1,287	3,637	74,614	57.98	-2.4	-2.9	-1.1	-15.7	-14.8	-9
Maryland	2,693	7,730	100,437	37.30	+6	+7	+1.0	-14.7	-13.3	-8.9
Massachusetts	6,975	17,187	532,281	76.31	-1	-1	+1.0	-7.8	-7.8	(⁸)
Michigan	12,509	30,132	752,166	60.13	(⁹)	+1	-1	-10.8	-9.6	-5.9
Minnesota	6,019	12,505	204,855	40.82	-1.0	-7.9	-6	-16.9	-16.2	-12.7
Mississippi	2,848	7,270	73,390	25.77	+1.2	+1.7	+1.5	+8.3	+8.3	+35.4
Missouri	10,768	27,066	356,548	33.11	-3	-1	-2	-6.0	-2.4	-2.8
Montana	1,330	3,317	45,086	33.90	-2.0	-2.6	-2.4	-16.9	-15.2	-12.9
Nebraska ¹⁰	2,495	5,790	80,986	32.46	-1.8	-1.7	-1.8	-24.2	-23.4	-24.4
Nevada	89	183	1,825	26.45	(¹¹)	(¹¹)	(¹¹)	(¹¹)	(¹¹)	(¹¹)
New Hampshire	679	1,706	37,847	55.74	+9	+9	+1.7	-8.0	-9.4	-0.1
New Jersey	3,584	8,784	187,117	52.21	+1.2	+1.5	+3.3	-18.9	-16.2	-2.2
New Mexico	2,141	6,157	87,476	40.86	-3	-8	-2	-4.9	-5.8	-9.4
New York	18,465	42,649	1,383,771	74.94	+6	+6	+7	-1.5	+2.5	+13.6
North Carolina	6,212	15,210	136,724	22.01	-1.2	-1.0	+7	-12.6	-10.4	+3.2
North Dakota	1,506	4,126	72,724	48.29	-2.6	-3.3	+2	-16.5	-18.2	+3.4
Ohio	7,631	20,604	401,752	52.65	-5	-1.3	+9	-14.1	-13.0	-5.6
Oklahoma	13,482	32,670	457,819	33.96	+3	+1	+1	-5.0	-3.0	+12.0
Oregon	1,191	2,921	90,248	75.77	+1.5	+2.8	+2.8	-3.2	-1.5	+16.5
Pennsylvania	21,541	56,876	1,197,610	55.60	-1	+1	+6	-20.2	-18.9	-15.9
Rhode Island	1,116	2,929	74,647	66.89	+2.2	+1.9	+2.5	+8	-2.3	+6.7
South Carolina	3,407	10,262	80,452	23.61	-5	-2	+2	-1.0	+2	+10.1
South Dakota	1,470	3,419	47,846	32.55	-1	+3	+3	-10.0	-11.1	-6.8
Tennessee	10,844	28,174	335,910	30.98	+1	+1	(¹²)	-7.7	-6.5	-8
Texas	10,573	23,001	220,736	20.88	(¹³)	-1	-1	-1.4	-2.9	-3.1
Utah	1,832	4,890	132,781	72.48	-2	+3	+7	-5.6	-5.6	+4.0
Vermont	549	1,388	18,375	33.47	-1.9	-1.0	-1.0	-10.0	-11.3	-8.1
Virginia	3,497	9,904	95,712	27.37	-6	-5	+5	-10.2	-9.9	+4.9
Washington	3,227	7,992	272,112	84.32	-3	-1	+8	+1.4	+2.6	+11.9
West Virginia	6,664	18,614	221,814	33.29	-1.1	-8	-7	-15.1	-15.5	+19.2
Wisconsin	5,982	14,400	315,966	52.82	-9	-9	+2	-17.6	-17.4	-8.4
Wyoming	307	817	13,594	44.28	-3.5	-4.3	-3.1	-28.6	-30.0	-23.9

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. All data subject to revision.

² Includes program administered in Florida under State law without Federal participation. See footnote 5.

³ Total for States with plans approved by Social Security Board.

⁴ Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

⁵ In addition, in 21 counties payments amounting to \$12,791 were made from local funds without State or Federal participation to 614 families, in behalf of 1,305 children under State mothers'-assistance law.

⁶ Estimated.

⁷ No approved plan for October 1943. Percentage change based on program administered without Federal participation.

⁸ Includes program administered without Federal participation.

⁹ Partly estimated.

¹⁰ Decrease of less than 0.05 percent.

¹¹ In addition, in 56 counties payments amounting to \$9,475 were made from local funds without State or Federal participation to 377 families, in behalf of 1,217 children under State mothers'-pension law; some of these families also received aid under approved plan.

¹² Increase of less than 0.05 percent.

Employment Security

Operations in Unemployment Compensation

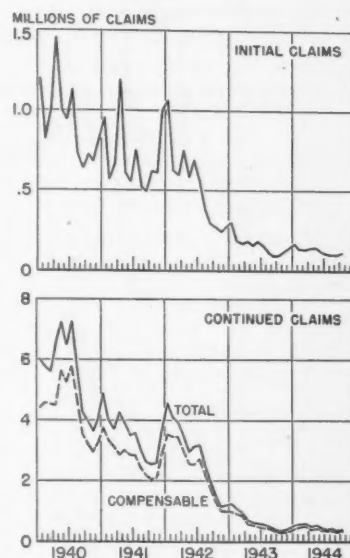
October activities.—After a steady decline since June, initial claims turned upward in October. Continued claims and benefit payments were also above September levels. Local offices received 115,000 initial and 377,000 continued claims during the month, an increase of 19 and 8 percent, respectively, over September figures, and of 20 and 14 percent over claims in October 1943. A total of \$4.3 million was paid in benefits to a weekly average of almost 64,000 beneficiaries, who received compensation for 276,000 weeks of unemployment. Compared with September, the number of beneficiaries remained practically unchanged, increasing only 0.6 percent for the Nation as a whole; the number, however, was 4.8 percent above that in October 1943. Benefit payments were up 2.4 percent from the preceding month, and 23 percent from the October 1943 total. The average benefit check for total unemployment continued to rise, and reached \$16.36 per week during October.

Claims and payment levels for the first 10 months of 1944 are well below

the corresponding period last year. The 1.3 million initial claims and 4.6 million continued claims received in local offices during January–October are, respectively, 22 and 33 percent below totals in the same period last year, and 78 and 85 percent below those in January–October 1942. The \$53 million paid in benefits since January is 27 percent less than the amount disbursed in the first 10 months of 1943, and 84 percent below the corresponding amount in 1942. On October 31, funds available for benefits totaled \$5.9 billion, presaging a reserve of more than \$6 billion by the end of 1944. Since the beginning of the year, \$1.2 billion has accrued to the fund.

States differed markedly in claim loads and payments. In Michigan, initial claims were nearly twice the September level, primarily because of short-duration lay-offs in the Flint area. Twenty-eight other States, including all the New England and Pacific Coast States, reported a heavier initial claim load in October. Compared with October 1943, initial claims in Michigan and Connecticut increased 529 and 170 percent, respectively, and 15 other States reported relatively smaller gains. Declines from a year ago ranged from 11 percent in New York to more than 50 per-

Chart 1.—Number of initial and continued claims received in local offices, January 1940–October 1944



cent in Arkansas, Colorado, Minnesota, South Carolina, and Virginia. Continued claims in 24 States were above September receipts. Nineteen States reported increases from October 1943 figures; in California, Connecticut, and Michigan the increases were outstanding.

October benefit payments continued at a low level despite increases in 19 States. In California, where disbursements were 4.4 percent below the September amount but more than double that in October 1943, payments to claimants from war industries continued to increase; claimants from the aircraft and shipbuilding industries combined received more than 2,000 payments a week in the current month, the highest point yet reached in these industries. In contrast, payments in food manufacturing declined to the lowest level on record in the State. The average weekly number of beneficiaries during October was fewer than 100 in each of 14 States. Four States combined—California, Illinois, Michigan, and New York—issued \$2.5 million to 51 percent of all beneficiaries.

Table 1.—Summary of unemployment compensation operations, October and January–October 1944

Item	October 1944		January–October 1944			
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		September 1944	October 1943		January–October 1943	January–October 1942
Initial claims ¹	115,379	+19.3	+20.1	1,257,393	-22.5	-78.4
Continued claims ¹	376,859	+8.2	+13.9	4,638,783	-32.7	-85.3
Waiting-period ²	68,742	+17.4	+20.2	830,240	-30.7	-82.7
Compensable	308,117	+6.3	+12.6	3,808,543	-33.1	-85.7
Weeks compensated	275,753	+6	+8.3	3,489,939	-36.0	-86.7
Total unemployment	251,749	+1.1	+10.0	3,152,297	-35.5	-87.0
Part-total unemployment ³	6,261	-16.1	-6.9	90,376	-32.4	-86.3
Partial unemployment ³	15,896	-2.4	-4.0	214,684	-32.5	-84.9
Weekly average beneficiaries	63,637	+1.6	+4.8			
Gross benefits paid	\$4,349,626	+2.4	+22.6	\$53,003,448	-26.6	-83.6
Benefits paid since first payable ⁴	\$2,164,397,632					
Funds available as of Oct. 31	\$5,904,199,019	+2.9	+31.3			

¹ Excludes Alaska; data not reported.

² Excludes New York because data not reported, and Montana and Pennsylvania, which have no

provisions for partial and part-total unemployment.

³ Based on 46 States reporting comparable data.

⁴ Adjusted for voided benefit checks.

Table 2.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, October 1944, and funds available for benefits as of October 31, 1944, by State

[Data reported by State agencies, corrected to Nov. 28, 1944]

Social Security Board region and State	Beneficiaries		Weeks compensated for specified types of unemployment				Benefits paid ¹			Funds avail- able for benefits ⁴ as of Oct. 31, 1944	
	Average weekly number ¹	Percentage change from—		All types	Total	Part- total ²	Partial ³	Amount	Percentage change from—		
		September 1944	October 1943						September 1944		October 1943
Total.....	63,637	+0.6	+4.8	275,753	251,749	6,261	15,836	\$4,349,626	+2.4	+22.6	\$5,904,199,019
Region I:											
Connecticut.....	1,725	+2.3	+323.8	7,474	6,898	226	350	138,480	+2.0	+427.7	154,554,519
Maine.....	445	+16.5	+4.7	1,927	1,177	60	700	23,329	+27.1	+33.2	31,364,044
Massachusetts.....	3,098	+4.8	+41.5	13,425	11,502	116	1,807	205,635	+5.4	+51.8	196,278,047
New Hampshire.....	192	+10.3	-51.4	831	617	2	212	8,265	+5.3	-53.2	19,153,096
Rhode Island.....	1,461	+4.9	+4.7	6,329	5,261	0	1,068	97,112	+5.6	+10.6	60,720,647
Vermont.....	63	-7.4	-44.2	274	259	3	12	3,407	-6.1	-33.2	10,770,969
Region II-III:											
Delaware.....	103	+56.1	+90.7	447	268	7	172	5,744	+55.8	+89.7	13,706,104
New Jersey.....	4,011	+10.9	-11.6	17,383	15,125	47	2,211	274,428	+10.1	-1.3	382,594,807
New York.....	10,778	-3.8	-15.0	46,703	44,796	(⁵)	(⁵)	757,056	-3.6	-5.4	797,685,229
Pennsylvania.....	3,056	-14.6	-24.2	13,242	13,242	(⁵)	(⁵)	203,408	-13.9	-18.2	548,161,709
Region IV:											
District of Columbia.....	324	-7.4	-36.8	1,404	1,334	64	6	24,736	-6.3	-33.8	41,255,476
Maryland.....	613	-3.8	-20.7	2,656	1,986	24	646	42,479	-4.8	-14.7	108,861,186
North Carolina.....	595	-2.3	-5.9	2,579	2,367	18	194	24,502	(⁵)	-7	89,330,164
Virginia.....	272	-15.3	-70.4	1,179	1,026	30	123	12,986	-12.1	-72.6	56,229,020
West Virginia.....	580	-2.8	-46.9	2,515	1,911	0	604	38,220	+3.1	-42.8	60,456,337
Region V:											
Kentucky.....	1,030	+2.6	-20.4	4,463	4,076	315	72	46,726	+7.7	-14.7	75,059,309
Michigan.....	7,304	+50.7	+474.7	31,649	31,407	152	90	612,011	+52.7	+524.9	258,400,353
Ohio.....	708	-9.1	-34.4	3,068	2,832	130	106	42,386	-9.5	-22.1	415,411,637
Region VI:											
Illinois.....	6,285	-15.3	+3.3	27,234	23,806	1,907	1,521	460,967	-11.3	+24.9	450,468,787
Indiana.....	1,057	+3.7	-37.2	4,581	4,302	71	208	71,733	+4.2	-34.7	159,881,988
Wisconsin.....	807	-19.1	+25.3	3,496	2,812	364	320	45,243	-20.5	+36.5	151,017,961
Region VII:											
Alabama.....	1,411	+23.9	+1.7	6,113	5,999	93	21	71,438	+25.2	+10.7	57,664,286
Florida.....	1,613	+32.6	-1.5	6,988	6,130	370	488	84,897	+30.3	+7.0	45,604,489
Georgia.....	405	-22.4	-50.4	1,757	1,547	26	184	19,992	-12.6	-45.8	66,195,850
Mississippi.....	235	+7.8	-22.4	1,018	798	15	205	10,703	+3.0	-32.5	20,784,248
South Carolina.....	268	-2.2	-58.8	1,160	1,120	27	13	12,828	-1.6	-56.6	32,960,767
Tennessee.....	2,255	-3.0	-13.3	9,771	9,552	163	56	113,395	-1.9	-4.9	66,674,148
Region VIII:											
Iowa.....	196	-24.0	-21.0	848	768	75	5	9,623	-26.2	-6.1	50,608,795
Minnesota.....	154	-24.1	-57.7	667	601	36	30	8,714	-23.2	-49.3	70,449,851
Nebraska.....	46	(⁵)	(⁵)	201	167	10	24	2,248	-22.9	-71.4	22,125,105
North Dakota.....	2	(⁵)	(⁵)	10	10	0	0	130	-6.5	-41.7	4,422,871
South Dakota.....	8	(⁵)	(⁵)	34	26	8	0	327	-14.4	-63.3	5,793,882
Region IX:											
Arkansas.....	236	-39.8	-75.6	1,021	969	17	15	11,627	-32.3	-73.4	24,306,396
Kansas.....	280	-11.1	-64.8	1,215	1,094	63	58	15,589	-10.1	-64.4	46,157,248
Missouri.....	1,340	-1.4	-10.8	5,805	5,080	61	664	77,363	-4.3	-6.8	138,581,550
Oklahoma.....	295	+20.4	-40.5	1,280	1,084	98	98	17,982	+24.4	-42.3	40,909,734
Region X:											
Louisiana.....	623	-11.3	-13.4	2,700	2,603	70	27	39,751	-6.4	-5.4	65,080,673
New Mexico.....	10	(⁵)	(⁵)	42	42	0	0	516	-2.8	-24.1	8,333,358
Texas.....	881	+6.1	-3.9	3,816	3,614	202	0	42,071	+7.9	+9.4	135,199,536
Region XI:											
Colorado.....	79	-37.8	-26.9	344	328	14	2	4,655	-36.2	-20.6	29,589,299
Idaho.....	28	(⁵)	(⁵)	123	115	8	0	1,488	-50.8	+38.4	12,156,432
Montana.....	72	0	(⁵)	310	310	(⁵)	(⁵)	3,775	+2.7	+92.1	15,493,228
Utah.....	150	-21.1	+92.3	648	610	37	1	12,141	-21.3	+136.4	21,888,568
Wyoming.....	4	(⁵)	(⁵)	18	13	1	4	193	+46.2	+232.8	6,797,976
Region XII:											
Arizona.....	92	+1.1	+73.6	400	375	25	0	5,574	-1	+79.9	16,239,719
California.....	8,166	-4.8	+80.4	35,386	30,745	1,261	3,380	627,088	-4.4	+122.4	602,775,234
Nevada.....	29	(⁵)	(⁵)	127	126	0	1	1,853	-22.4	-18.3	8,602,174
Oregon.....	88	-9.3	+33.3	382	322	15	45	5,300	-3.6	+35.8	60,309,646
Washington.....	147	-29.0	-3.9	638	509	40	89	8,412	-28.2	-12.4	124,601,447
Territories:											
Alaska.....	15	(⁵)	(⁵)	65	65	0	0	996	-24.9	-13.7	6,369,818
Hawaii.....	2	(⁵)	(⁵)	7	3	0	4	104	+511.8	-83.6	16,068,302

¹ Computed by dividing all weeks compensated during the month by 4½.² Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.³ Not adjusted for voided benefit checks.⁴ Represents sum of balances at end of month in State clearing account and

benefit-payment account, and in State unemployment trust fund account (excluding amounts transferred to railroad unemployment insurance account).

⁵ Decrease of less than 0.05 percent.⁶ Not computed, because fewer than 50 beneficiaries were reported in either or both periods.

Table 3.—Initial and continued claims received in local offices, by State, October 1944

[Data reported by State agencies,¹ corrected to Nov. 23, 1944]

Social Security Board region and State	Initial claims				Continued claims			
	Total ²	Percentage change from—		New	Total ³	Percentage change from—		Compen-sable
		Septem-ber 1944	October 1943			Septem-ber 1944	October 1943	
Total ⁴	115,379	+19.3	+20.1	376,859	+13.2	+13.9	308,117	
Region I:								
Connecticut.....	3,611	+12.3	+170.3	2,600	10,130	—1	+305.2	8,187
Maine.....	1,035	+6.9	—18.5	487	2,442	+5.5	+1.6	2,008
Massachusetts.....	6,810	+11.4	+48.2	3,767	18,908	+23.3	+59.3	15,407
New Hampshire.....	375	+21.0	—26.2	255	1,283	+10.1	—31.8	1,103
Rhode Island.....	1,844	+20.1	+33.7	1,466	6,717	+4.6	+22.3	6,182
Vermont.....	115	+45.6	+21.1	106	555	+23.6	—1.9	457
Region II-III:								
Delaware.....	248	+134.0	+68.7	207	497	+68.5	+56.8	421
New Jersey.....	9,148	+20.1	+20.4	6,309	25,142	+18.4	+4.5	20,480
New York.....	20,747	+26.9	—11.2	11,065	67,693	+15.1	+6.3	48,047
Pennsylvania ⁵	3,745	—44.2	+2.3	3,475	19,956	—18.0	—12.1	15,012
Region IV:								
District of Columbia.....	264	+1.8	—44.1	239	1,677	+3.1	—9.4	1,529
Maryland ⁶	427	—1.8	—37.7	427	2,330	—10.8	—41.3	2,150
North Carolina.....	653	—41.1	—20.1	549	3,753	—10.7	+3.3	3,119
Virginia.....	308	—9.9	—50.6	232	1,253	—11.6	—66.9	1,154
West Virginia.....	852	—3.8	—26.0	694	3,898	—1.3	—26.8	3,552
Region V:								
Kentucky.....	1,289	+15.9	—35.8	1,053	6,880	+9.5	—16.2	6,280
Michigan.....	21,565	+68.9	+528.7	18,296	41,008	+48.0	+554.5	34,692
Ohio ⁷	2,067	+11.7	+17.1	2,067	4,643	—13.1	—22.3	3,365
Region VI:								
Illinois.....	12,120	+1.1	+6.0	7,704	32,446	—9.0	+18.5	28,145
Indiana ⁸	1,504	+22.9	—35.6	1,504	5,237	+8.5	—38.8	4,287
Wisconsin.....	7798	+30.2	+16.8	(⁹)	4,853	—9.4	+22.1	4,101
Region VII:								
Alabama.....	988	—16.1	—20.5	848	7,130	+21.1	+5.7	6,387
Florida ⁸	1,561	+38.5	—32.6	1,561	9,387	+35.3	—21.3	8,465
Georgia.....	723	—4.2	—24.0	549	2,541	—22.1	—62.2	1,992
Mississippi.....	421	—9.7	—16.5	365	1,992	+14.9	—20.0	1,733
South Carolina.....	583	—30.1	—61.5	501	2,640	—10.2	—58.7	2,203
Tennessee.....	2,688	+55.6	+38.1	2,320	14,479	+15.4	+7.0	12,631
Region VIII:								
Iowa.....	392	+46.3	+3.4	297	1,265	—18.0	—18.5	964
Minnesota.....	321	+17.2	—55.5	236	993	—15.5	—51.4	765
Nebraska.....	61	—18.7	—45.5	48	282	—34.6	—54.4	256
North Dakota.....	12	(⁹)	(⁹)	9	25	(⁹)	(⁹)	24
South Dakota.....	52	(⁹)	—24.6	50	231	+10.0	—52.4	216
Region IX:								
Arkansas.....	444	—21.3	—58.6	407	2,336	—28.3	—67.8	2,183
Kansas.....	473	+22.9	—34.7	388	1,740	—1.8	—50.4	1,525
Missouri.....	2,594	+18.5	—15.0	2,134	9,168	+17.9	—8.0	7,320
Oklahoma.....	609	+5.2	—37.1	527	2,621	+5.0	—30.6	2,300
Region X:								
Louisiana.....	777	—8.2	—42.8	620	3,695	—15.3	—30.7	3,369
New Mexico.....	40	(⁹)	(⁹)	35	175	—5.4	—20.5	173
Texas.....	1,349	—5	—24.6	(¹⁰)	7,973	—4.1	—21.7	7,370
Region XI:								
Colorado.....	149	—8.0	—53.7	126	572	—23.3	—48.7	498
Idaho.....	33	(⁹)	(⁹)	23	199	—40.6	+1.0	176
Montana.....	84	+15.1	(⁹)	67	539	+14.4	+136.4	433
Utah.....	97	—13.4	+40.6	65	660	—18.3	+48.6	617
Wyoming.....	8	(⁹)	(⁹)	8	37	(⁹)	(⁹)	30
Region XII:								
Arizona.....	219	+37.7	+11.2	190	732	+7.0	+6.1	672
California.....	10,818	+11.9	+58.7	6,531	42,500	+8.9	+104.4	34,780
Nevada.....	71	+34.0	(⁹)	56	307	+10.8	+65.1	272
Oregon.....	172	+9.6	—44.0	134	645	+39.6	—6.2	535
Washington.....	383	+9.4	+5.5	256	790	—7.8	—6.9	647
Territories:								
Alaska ¹¹	2	(⁹)	(⁹)	2	4	(⁹)	(⁹)	3
Hawaii.....								

¹ Except claims taken by U. S. Employment Service personnel, which are reported by War Manpower Commission.² Includes additional claims, except in Florida, Indiana, Maryland, Ohio, Pennsylvania.³ Includes waiting-period claims.⁴ Excludes Alaska; data not reported.⁵ Based on data for 50 States.⁶ State procedures do not provide for filing additional claims.⁷ Excludes all claims for partial unemployment.⁸ Data not comparable.⁹ Not computed, because fewer than 50 claims were reported in either or both periods.¹⁰ Data not available.

Employment Service Operations*

Labor-Market Developments

The number of persons in the civilian labor force in October was estimated at 52.9 million. This figure was only 210,000 less than in October 1943, although in every other month of 1944 the number in the labor force has averaged about a million fewer than in the corresponding month of 1943. Although there were 20,000 more women workers than in September, there were 180,000 fewer men, resulting in a net decline of 160,000 workers. In October 1943, by contrast, the number decreased 830,000 from September and more than half the drop took place among the women workers.

The number of employed persons was only 10,000 less than in September; for the first time in 1944 it was slightly above the figure for the corresponding month of 1943. The net decline from September resulted from a decrease in nonagricultural employment which more than offset an increase in agricultural employment. For the first time in 1944 agricultural employment also surpassed the 1943 level.

Labor shortages were still widespread, according to the War Manpower Commission, and they affected various industries, such as aircraft, radar, and heavy-duty tire plants in New England, artillery plants in New York, construction machinery in Illinois, explosives in Kansas, and shipbuilding in States on the Pacific coast.

By the beginning of November only 600 veterans had taken advantage of the apprentice-training service established by the WMC in some 30,000 plants in manufacturing, construction, and other industries. The low enrollment is probably due to the many job opportunities in war industries. After

*Data from Reports and Analysis Service, War Manpower Commission, and from published releases of other Government agencies.

such production ceases, more veterans will undoubtedly take apprentice training. During normal times, only men 18-23 years of age were accepted for apprenticeships in most trades, but veterans beyond those ages can enroll if they are physically able to work in any of the 100 skilled occupations for which the program has been established.

The WMC announced on October 31 that recruitment of civilian physicians for the Army has been discontinued, but the Navy has urgent need for about 3,000 more medical officers. In the armed forces at present there are about 60,000 physicians, or 40 percent of the active medical profession in the country; over 47,000 of these physicians are on duty in the Army and about 13,000 in the Navy.

Placement Activities

The total number of nonfarm placements in October (1.1 million) was smaller than in August or September but more than in any other month on record. Of the 15 States reporting more placements than in September, only 5 had increases of more than 10 percent—Delaware, 34.9 percent; North Dakota, 20.9; Louisiana, 18.2; Utah, 13.6; Wyoming, 16.6. The percentage decreases from September, reported by 34 States, ranged from 0.3 in Maine to 42.1 in the District of Columbia; only 8 States had decreases of more than 10 percent.

More than 63,000 World War II veteran placements were made in October—both the largest number of such placements and the largest proportion of all nonfarm placements so far. Placements of women in nonfarm jobs were slightly less than in September and about the same proportion of all nonfarm placements as in July, August, and September.

Table 4.—Nonagricultural placements, by State, October 1944

War Manpower Commission region and State	Total			Short-time, number	Women		Nonwhite	
	Number	Percentage change from—			Number	Percentage change from September 1944	Number	Percentage change from September 1944 ¹
		September 1944	October 1944					
Total.....	1,127,130	-3.8	+31.4	134,403	355,987	-5.2	195,371	-5.3
Region I:								
Connecticut.....	12,837	+6.2	+40.0	310	4,422	+1.1	865	+6.9
Maine.....	5,705	-3	+7.1	557	1,875	-5.3	20	-----
Massachusetts.....	26,832	-1.9	+9.4	214	11,639	-6.5	974	+17.8
New Hampshire.....	2,305	-7.4	-14.2	31	1,159	-15.8	9	-----
Rhode Island.....	7,004	+8.8	-9.9	38	3,463	-5.5	139	+20.9
Vermont.....	1,484	+6.3	+46.1	5	562	+22.7	1	-----
Region II:								
New York.....	106,328	+3.6	+29.5	38,942	40,971	+7.7	31,138	+6.8
Region III:								
Delaware.....	2,492	+34.9	-13.1	0	911	+18.8	862	+77.4
New Jersey.....	36,235	-6.6	+11.9	999	15,023	-2.6	6,090	-21.9
Pennsylvania.....	63,893	-8.3	+41.2	2,046	21,047	-9.2	11,003	+9.2
Region IV:								
District of Columbia.....	6,040	-42.1	+53.8	102	3,340	-46.3	3,646	-24.2
Maryland.....	21,398	-2.5	+26.8	0	9,989	-6.9	6,736	-5.2
North Carolina.....	24,862	-15.0	+33.2	181	8,735	-14.2	7,273	-34.0
Virginia.....	25,665	-3.3	+176.0	26	8,984	-3.1	8,650	-3.6
West Virginia.....	13,224	+1.2	+72.9	140	3,210	+1.3	549	+5
Region V:								
Kentucky.....	14,497	-5.6	-13.0	86	4,581	-2.8	2,180	+20.7
Michigan.....	37,950	+7.9	+15.2	262	8,674	+2.9	6,210	+19.9
Ohio.....	66,356	-8.6	+8.0	10,218	21,759	-11.9	13,470	-3.8
Region VI:								
Illinois.....	79,485	+1	+177.5	44,274	11,217	-11.7	6,886	-6.8
Indiana.....	31,021	-8.2	-2.9	3,785	10,672	-11.2	2,590	-15.1
Wisconsin.....	18,143	-14.2	+18.2	499	5,937	-22.0	537	-59.6
Region VII:								
Alabama.....	20,753	-6.7	+18.7	12	7,293	-8.8	6,228	-10.2
Florida.....	20,040	-5	+3.8	883	8,301	+4.7	5,980	-12.5
Georgia.....	30,503	-6.2	+46.2	36	11,647	-17.1	6,917	-7.6
Mississippi.....	11,209	-6.4	+22.9	61	4,525	-15.6	3,908	-4.5
South Carolina.....	15,667	-14.6	+158.2	68	6,522	-4.1	3,806	-28.9
Tennessee.....	25,426	-1.2	+99.5	101	7,380	-6	4,067	-17.2
Region VIII:								
Iowa.....	11,573	-29.7	-12.2	209	4,724	-32.3	357	-23.7
Minnesota.....	19,038	-6.2	+50.2	3,629	5,783	-21.3	205	-1.0
Nebraska.....	6,631	+5.9	+56.8	290	2,062	+8.5	370	-15.1
North Dakota.....	1,760	+20.9	+7.1	300	575	+14.3	107	-40.9
South Dakota.....	1,477	-1.3	+20.7	187	635	-18.4	162	-3.6
Region IX:								
Arkansas.....	10,071	-11.6	+35.0	232	2,834	-12.6	2,321	-25.8
Kansas.....	12,154	-5.2	+14.9	360	3,937	-12.7	1,299	-9.9
Missouri.....	30,666	-4.2	+45.5	235	7,622	-10.7	5,019	-9.6
Oklahoma.....	12,988	-12.9	+59.6	751	3,036	-11.3	1,485	-13.8
Region X:								
Louisiana.....	12,452	+18.2	+39.5	77	2,930	+24.2	3,615	-5.1
New Mexico.....	2,960	-10.4	+124.8	31	564	-18.1	72	-2.7
Texas.....	59,195	-1.5	+38.7	2,090	14,555	+5.3	14,952	-4.1
Region XI:								
Colorado.....	10,573	+8.0	+25.4	1,505	2,337	+4.4	198	-23.8
Idaho.....	4,228	-3.1	+29.1	162	1,022	-16.9	195	-51.1
Montana.....	4,054	+6.9	+50.4	330	740	+21.3	77	-8.3
Utah.....	7,722	+13.6	+53.0	614	2,780	+9.6	242	-49.9
Wyoming.....	2,440	+16.6	+9.0	29	534	+55.2	98	+78.2
Region XII:								
Arizona.....	6,636	-7.9	+19.3	54	2,237	-10.3	531	-18.3
California.....	128,431	-1.2	+40.0	12,374	36,326	+4.0	17,801	+17.6
Nevada.....	2,872	-2.9	-31.0	466	863	+5.2	343	-27.2
Oregon.....	20,229	-5.6	+2	2,082	7,197	+25.2	746	-24.5
Washington.....	31,626	-7.3	-19.0	4,520	9,586	-5.5	4,442	-7.4

¹ Computed only for States reporting 50 or more nonwhite placements in both months.

Railroad Unemployment Insurance and Employment Service*

Employment Service

During October more than 105,000 placements of workers were verified, an increase of 4.2 percent from the preceding month. The rise was due to the increased number of placements—88,000—made entirely by Board personnel. The rest were made with the cooperation of the U. S. Employment Service. Openings reported by employers were 14 percent more numerous than in September, while referrals of workers showed a smaller proportional increase. A somewhat larger number of openings on active orders remained unfilled at the end of the month than in September.

Because of the seriousness of the railroad manpower shortage in the West, the National Manpower Priorities Committee granted a national "A" priority rating early in October to 13 western railroads, covering 2,300 openings for brakemen, firemen, and switchmen. As of November 4, 1,400 placements had been made.

During October, 5,400 Mexican nationals entered the United States for work on eight railroads, six of which serve the West and Southwest. Contracts of about 36,000 Mexican workers were in effect on October 31.

Of the 283,000 placements of workers verified during the July-September quarter, 22,000 were in train-and-engine-service jobs, 9,700 in skilled maintenance jobs, 13,000 in office positions, 15,000 in helper and appren-

*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 6.—Railroad unemployment insurance: Number of certifications, average payment, and average number of compensable days, benefit year 1944-45, by month¹

Type of certification and period	All certifications				Percent of certifications with specified days of unemployment ²			
	Number	Average payment	Average daily benefit	Average compensable days ³	Total	14 days	8-13 days	5-7 days
Certifications for first registration period:								
July 1944.....	219	\$21.28	\$3.31	6.44	100.0	82.2	17.8	-----
August.....	498	20.76	3.34	6.21	100.0	73.9	26.1	-----
September.....	310	21.45	3.41	6.29	100.0	74.8	25.2	-----
October.....	360	20.85	3.37	6.19	100.0	76.4	23.6	-----
Certifications for subsequent registration periods:								
July 1944.....	7	25.46	2.62	9.71	100.0	71.4	28.6	0.0
August.....	859	30.11	3.31	9.10	100.0	76.6	19.3	4.1
September.....	1,150	28.72	3.22	8.92	100.0	74.9	19.6	5.5
October.....	1,329	28.93	3.23	8.95	100.0	75.4	19.6	5.0

¹ Data cover only certifications for unemployment in the current benefit year. All data are based on a complete tabulation.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

³ Revised.

tice jobs, and 210,000 in laborer jobs. Nearly all the placements in train-and-engine service were made in brakeman, switchman, fireman, or hostler positions; only a few hundred were made in engineer, motorman, conductor, or ticket-collector jobs. More than four-fifths of the skilled maintenance placements were for shop work; the remainder were for maintenance-of-way and structures work. Fewer than half of the laborer placements were for maintenance-of-way work.

Unemployment Insurance Operations

In October all phases of unemployment insurance activity showed increases over the preceding month. The number of applications for certificate of benefit rights and claims rose 18 percent, while the number of registration periods for which benefits were certified was 15 percent higher. As indicated by the applications for

certificate of benefit rights filed, the number of railroad workers unemployed for the first time in the benefit year increased from September to October in each of the Board's nine regions. The occupational distribution of the workers who received benefits in October remained about the same, with train-and-engine-service men receiving approximately one-third of all payments.

About one-third of the 360 railroad workers compensated during the month for their first period of unemployment in the present benefit year were train-and-engine-service employees and about one-fourth were laborers. As in the preceding month, benefits certified for initial periods of unemployment constituted about one-fifth of all payments for unemployment which began in the current benefit year. The average initial payment was 60 cents less than the September average. The average subsequent payment, on the other hand, showed a small increase.

Table 5.—Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1943-45

Period	1944-45					1943-44				
	Placements	Applications ¹	Claims	Benefit payments ²		Placements	Applications ¹	Claims	Benefit payments ²	
				Number	Amount				Number	Amount
July-October.....	388,503	2,453	7,177	5,300	\$142,903	121,300	2,640	8,039	5,806	\$149,436
July.....	84,555	854	1,330	772	19,872	29,276	1,024	2,034	1,213	29,123
August.....	97,156	572	1,813	1,373	36,680	36,090	697	2,006	1,565	40,342
September.....	101,131	471	1,851	1,469	40,068	26,688	449	2,036	1,576	41,951
October.....	105,361	556	2,183	1,686	46,284	29,246	470	1,963	1,452	38,020

¹ Includes applications for current and preceding benefit years.

² Net figures adjusted for underpayments and recovery of overpayments.

Amounts are rounded to the nearest dollar and may not add up to totals shown.

Old-Age and Survivors Insurance

Comparison of Benefit Payments: 1935 Act and 1939 Amendments

The amendments enacted in 1939 changed title II of the Social Security Act from an old-age benefit system to a program of old-age and survivors insurance. These amendments shifted the emphasis of the program from protection of the individual aged worker and his individual equity to family protection, including protection against the economic hazards of death as well as old age. This broadened scope, certain extension of coverage and liberalization of qualifying requirements, and advance from January 1942 to January 1940 of the date on which benefits first became payable all served to increase greatly the volume of benefit payments in the first years of operation. To obtain quantitative measurements of the changes effected by these amendments, estimates have been made of the status of beneficiaries and benefit payments had title II of the original act not been amended.

Under the amendments, supplementary benefits became payable to the aged wife and dependent children of the retired worker, and certain sur-

vivors of insured workers became eligible for continuing monthly benefits more closely geared to the economic need arising from the worker's death than was the lump-sum payment provided in the original act. The eligibility requirements for retirement benefits were eased for workers reaching age 65 in the early years of the program, and coverage was extended to workers aged 65 and over. The benefit formula was also modified by substituting average for cumulative earnings as the basis for computing benefit amounts.

Extension of coverage to workers 65 years and over opened the doors of the social insurance system to many thousands who were previously barred. Under the 1935 act, only persons born in 1876 or later could become eligible for monthly benefits. All the 46,000 (table 2) who would have been eligible as of July 1, 1941, under the 1935 act, were born in the first half of 1876. The 625,000 actually eligible on that date under the amendments included, on the other hand, some 565,000 workers born prior to 1876. These included some 215,000 who would have been excluded under the original provisions, and 350,000 workers who could have been eligible

Table 2.—Number of workers represented in claims awarded under title II of 1935 Social Security Act and 1939 amendments, by type of benefit awarded, 1937-44

[In thousands; estimated data in italics]

Year	Monthly benefits						Lump-sum payments					
	Entitled aged workers ¹		Eligible aged workers ¹		Workers represented for first time in awards for survivor benefits		Workers attaining age 65		Workers dying before age 65		Workers dying after age 65 and before entitlement to monthly benefits	
	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments
1937							27		22			
1938							92		102			
1939							99		96			
1940		50		465		33	111		129		54	5
1941		185	46	625		49	76		154	76	1	9
1942	29	277	145	765		52	85		187	84	3	10
1943	71	349	287	915		60	106		222	95	5	13
1944 ²	130	418	383	1,065		70	119		252	114	7	16

¹ On January 1 of each year.

² Assumes lump sums to living workers attaining age 65 to have continued throughout the year; actually payment of these lump sums terminated

Aug. 10, 1939, and were made to only 59,000 workers during 1939.

³ Estimates based on actual data available through September 1944.

Table 1.—Benefits certified under title II of 1935 Social Security Act and 1939 amendments, by type of benefit, 1937-44

[In millions; estimated data in italics]

Year	Total		Monthly benefits						Lump-sum payments					
			Retired aged workers		Wives and children of retired aged workers		Widows, children, and parents of deceased workers		Workers attaining age 65		Workers dying before age 65		Workers dying after age 65 and before entitlement to monthly benefits	
	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments	1935 act	1939 amendments
1937	\$1.3								\$0.7		\$0.6			
1938	10.5								4.7		5.8			
1939	117.5								18.2		9.3			
1940	24.5	\$37.7		\$18.1		\$2.9		\$7.8	11.5		15.0	\$7.8		\$0.3
1941	23.4	93.7		47.0		8.1		25.5	3.2		20.0	10.9	\$0.2	1.4
1942	40.8	136.9	\$6.1	68.3		12.0		41.7	5.6		30.5	12.0	1.6	\$0.1
1943	65.1	172.8	15.2	82.8		14.5		57.7	4.8		45.5	13.9	1.3	2.0
1944 ²	94.2	216.8	28.4	101.0		17.8		76.5	5.5		57.8	16.9	2.0	2.4

¹ Assumes lump sums to living workers attaining age 65 to have continued throughout the year; actually payment of these lump sums terminated Aug. 10, 1939, and aggregated only \$4.5 million during 1939.

² Estimates based on actual data available through September 1944.

only for lump-sum payments at age 65.

To have qualified for monthly benefits under the original act, persons born in 1876, for example, would have had to work at least 1 day in each of the 5 years 1937-41 and to have received at least \$2,000 in wages. Data from the 1937-41 continuous work-history sample indicate that fewer than half the workers born in 1876 and with some wages in 1937-41 could have met this requirement. Of those who could, practically all met the conditions for fully insured status under the amendments. In addition, several thousand workers met the conditions for fully insured status without having had employment in all 5 years.

As a result of the amendments, 915,000 aged workers were eligible for monthly benefits in the middle of 1943, of whom 349,000 had filed for and established entitlement to monthly benefits. The provision of monthly benefits for certain survivors of deceased insured workers permitted, further, the payment of monthly benefits to 338,000 survivors of an additional 194,000 workers, bringing the total number of monthly beneficiaries to 795,000. Had the original act remained in effect, 257,000 aged workers would have been eligible, of whom only 71,000 might have been receiving monthly benefits, and no survivor or supplementary benefits would have been payable.

Modification of the basis for computing monthly benefits made possible somewhat greater monthly amounts to those who retire in the early years of the program. During 1943, \$83 million in primary benefits was certified to an average number of 349,000 retired workers, whereas only \$15 million in monthly benefits might have been certified to an average of 71,000 retired workers under the original act. While the increase in the average benefit per retired worker is not large, dependents' benefits brought the average family benefit up considerably. Moreover, the difference in the average amounts¹ payable to the retired worker himself is more significant when it is remembered that the 349,000 retired wage earners include workers with less than the originally

required \$2,000 in wages and also many with less regular employment than would have been required under the original act.

A corollary to the increase in the number of persons eligible for monthly benefits is the decrease in the number of lump-sum payments which would have been made under the act's original provision at the death of a worker or at his attainment of age 65. During 1943, lump-sum payments were made with respect to 122,000 wage earners not survived by anyone immediately eligible for monthly benefits. Had the act not been amended, 229,000 lump-sum payments might have been made to the estates of deceased wage earners; an additional 106,000 workers who could not have qualified at age 65 for monthly benefits would have been eligible for a lump-sum award.

This transfer of emphasis from the payment of lump sums to monthly benefits is reflected to a greater extent in the amounts paid to qualified individuals during 1943. Under the 1939 amendments, benefit payments amounted to \$172.8 million, of which 90 percent was paid in monthly benefits either to retired aged workers and their dependents or to survivors of deceased insured wage earners. For this same period, payments totaling \$65.1 million might have been made had the original act remained in effect. Of this amount, only about 23 percent would have been paid to recipients of monthly benefits. In particular, the present provisions have provided \$209 million in monthly benefits to survivors of deceased insured wage earners since 1939, most of whom are still on the benefit rolls and will continue to receive benefits. In contrast to this increase is the loss of \$93.3 million in lump sums which might have been made as final payment to the estates of deceased covered wage earners under the original act.

Under the Social Security Act

Monthly Benefits in Force and Payments Certified, October 1944

At the end of October monthly benefits were in force for 1,077,000 persons at a monthly rate of more than \$19.7 million (table 4).

The number of monthly benefits

Table 3.—Estimated average family benefit in force, by type of family, October 31, 1944

[Estimates based on 20-percent sample]

Family classification of entitled beneficiaries	Average family benefit
Retired worker families:	
Male primary only.....	\$23.90
Female primary only.....	19.20
Primary and wife.....	37.60
Primary and 1 child.....	34.80
Primary and 2 or more children.....	43.90
Survivor families:	
Widow (aged 65 or over) only.....	20.20
Widow and 1 child.....	34.50
Widow and 2 children.....	47.30
Widow and 3 or more children.....	50.80
1 child only.....	12.40
2 children.....	23.20
3 children.....	34.50
4 or more children.....	46.40
1 parent.....	13.20

awarded during October increased 13 percent, and lump-sum payments 8 percent, over the September awards. For all types of death benefits except widow's benefits, more awards were processed in October than in any previous month, and the number of primary and wife's benefit awards was greater than for any month since early 1941. For both monthly benefits and lump-sum death payments the number of awards exceeded any previous month's total by almost 1,500. The number of primary, wife's, and widow's benefits awarded has increased to such an extent in 1944 that the number of monthly benefits awarded during the first 10 months is greater than for the entire year 1943.

The average benefit in force shows little change from month to month. For primary benefits, the average payment awarded is about a dollar higher than the average in force, but the ratio of awards to payments in force is so low that the average in force increases only about 2 or 3 cents a month.

During October almost \$17.6 million was certified for monthly benefit payments and more than \$2.1 million for lump-sum death payments.

Recomputation of Benefits

Henceforth the Social Security Board will, on request, refigure the monthly benefits of beneficiaries whose taxed wages, earned after they become entitled to benefits, are sufficient to increase the benefit amount. In approving such a recomputation of benefits on October 31, the Social

¹ These averages are somewhat lowered by inclusion, in the number of beneficiaries, of persons in conditional-payment status for part of the year.

Table 4.—Monthly benefits in force¹ in each payment status,² actions effected during the month, and payments certified, by type of benefit, October 1944

[Current month's data corrected to Nov. 15, 1944]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Sept. 30, 1944.....	1,054,683	\$19,311,390	439,061	\$10,330,560	128,495	\$1,606,703	304,130	\$3,757,484	63,312	\$1,276,372	114,961	\$2,278,312	4,724	\$61,959
Current-payment status.....	893,653	16,252,922	358,053	8,484,532	109,047	1,376,189	275,178	3,400,437	62,182	1,253,500	84,555	1,677,405	4,638	60,859
Deferred-payment status.....	4,166	75,718	2,402	50,861	464	5,522	720	8,549	155	3,307	416	7,382	9	97
Conditional-payment status.....	156,864	2,982,750	78,606	1,795,167	18,984	224,992	28,232	348,498	975	19,565	29,990	593,525	77	1,003
Suspended.....	133,071	2,490,421	69,902	1,553,096	16,108	185,549	23,824	292,708	625	12,273	22,544	445,920	68	875
Frozen.....	23,793	492,329	8,704	242,071	2,876	39,443	4,408	55,790	350	7,292	7,446	147,605	9	128
Actions during October 1944:														
Benefits awarded.....	29,733	543,886	10,362	255,055	3,892	50,297	9,131	114,231	2,163	43,214	4,041	79,290	144	1,799
Entitlements terminated ³	7,524	135,335	2,653	62,644	1,289	15,976	1,977	25,560	247	4,678	1,325	26,403	33	434
Net adjustments ⁴	130	3,537	0	431	0	55	84	2,021	1	17	35	1,021	1	—10
In force as of Oct. 31, 1944.....	1,077,022	\$19,723,478	446,779	\$10,523,402	131,098	\$1,641,079	311,368	\$3,848,178	65,229	\$1,314,925	117,712	\$2,332,580	4,836	\$63,314
Current-payment status.....	915,680	16,643,795	364,770	8,652,191	111,279	1,405,639	284,476	3,520,772	64,039	1,291,089	86,363	1,711,807	4,753	62,297
Deferred-payment status.....	4,208	76,417	2,384	50,460	474	5,734	766	9,303	157	3,320	420	7,541	7	59
Conditional-payment status.....	157,134	3,003,266	79,625	1,820,751	19,345	229,706	26,126	318,103	1,033	20,516	30,929	613,232	76	958
Suspended.....	133,020	2,504,235	70,862	1,576,962	16,407	189,376	21,760	263,181	658	12,746	23,267	461,152	66	818
Frozen.....	24,114	499,031	8,763	243,789	2,938	40,350	4,306	54,922	375	7,770	7,662	152,080	10	140
Payments certified in October ⁵		\$19,722,911		\$8,984,338		\$1,470,952		\$3,827,196		\$1,355,364		\$1,870,801		\$67,313

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

² Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

³ Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

⁵ Distribution by type of benefit estimated; includes retroactive payments. Includes \$2,134,973 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$2,974 paid as lump-sum benefits under 1935 act (payable with respect to workers who died prior to January 1940).

Security Board accepted the principle that a beneficiary may, under title II of the Social Security Act, cancel the benefit rights flowing from his application and claim benefit rights again by filing a new application. The Board's position was that the two actions merged into one and that the intent of the individual to cancel and refile would be expressed sufficiently and the essential requirements met by a request for recomputation.

This recalculation will be permitted both to persons now receiving benefits and to those who file claims in the future. Recomputation will be of especial advantage to persons who returned to work in war jobs shortly after they became beneficiaries and

have since received regularly wages considerably above their former average wage. Many of these persons did not anticipate such employment when they applied for benefits in 1940 and 1941. It is estimated that one-half to two-thirds of the primary beneficiaries who have gone back to work would, if they requested recomputation, be eligible for a benefit larger than the one to which they are currently entitled. The amounts of supplementary benefits based on the primary beneficiary's wage record would also be correspondingly increased.

Recomputation must be requested by the beneficiary, and the recomputed benefit rate will be effective as

of the date of the request. There will be no refund by beneficiaries of amounts received under the canceled application, and beginning with the date of the request for recomputation the beneficiary will receive the recomputed amount regardless of the amount of increase. No limitation has been placed on the number of times an individual can request and receive a recomputation, but there can be no change in the amount within a calendar quarter, since wages are counted only to the quarter in which the calculation is made. Unless a beneficiary's wage rate is substantially above the previous average monthly wage, there would ordinarily be little or no increase in his benefit amount.

Table 5.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, October 1944¹

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force Sept. 30, 1944.....	165,511	\$10,734,134	141,018	\$9,397,845	20,215	\$1,197,604	3,729	\$118,859	549	\$19,826
During October 1944:										
Initial certifications.....	1,954	130,691	1,861	127,818	0	0	37	1,007	56	1,865
Terminations by death (deduct).....	1,013	63,073	740	48,930	187	11,118	12	418	74	2,606
In force as of Oct. 31, 1944.....	166,434	\$10,803,404	142,121	\$9,478,810	20,028	\$1,186,610	3,757	\$119,486	528	\$18,997
Total payments (net).....		\$11,757,279		\$9,864,698		\$1,174,533		\$121,685		\$25,780

¹ For definitions of classes of benefit, see the *Bulletin*, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-month

basis ended on approximately the 20th, terminations are reported through dates staggered from the 14th to the 27th, and total payments are on calendar-month basis. Cents omitted.

² In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

³ Includes \$570,281 for lump-sum death benefits.

Under the Railroad Retirement Act*

The volume of retirement activities continued to expand in October, and a record total of \$11.8 million was certified for benefit payments (table 5), \$106,000 more than the previous peak in August. The rise from August was due entirely to payments on employee annuities, which rose more than \$220,000.

The increase in employee-annuity payments is accounted for by the unusually large number of new cases certified in October and the large rise in the number of annuities in force at the end of the month. From a monthly average of 1,451 certifications in the first 9 months of 1944, the number in October rose to 1,861, the highest since February 1941. The number of deaths reported, however, dropped from an average of 911 to 740. As a result, the number of employees on the annuity rolls at the end of the month increased by 1,100 compared with an average monthly rise of only 530 in January-September. The rela-

*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 6.—*Railroad retirement: Employee-annuity applications received and disposed of, cumulative through June 1944 and in fiscal year 1943-44*¹

Administrative action	Cumulative through June 1944	Fiscal year 1943-44
Applications to be disposed of, total.....	219,741	24,744
Pending at beginning of period.....		5,486
Received.....	238,520	20,190
Previously disposed of but reopened during period.....		122
Less: Inactive claims (net).....	17,763	1,042
Invalid, canceled or consolidated.....	1,016	12
Applications disposed of, total.....	214,523	19,526
Certified for employee annuity.....	195,157	18,071
Not certified for employee annuity:		
Disallowed—no creditable service.....	12,460	391
Ineffective—applicant died.....	6,518	1,022
Abandoned.....	358	42
Applications pending at end of period.....	5,218	5,218

¹ Certifications are reported on an accounting-month basis ended on approximately the 20th. Other data are on calendar-month basis. To this extent, applications pending are overstated: claims certified after close of accounting period, too late to be added to annuity rolls as of June 30, numbered 550 in 1943 and 592 in 1944.

Table 7.—*Railroad retirement: Disposition of potential claims for survivor benefits based on deaths of covered individuals reported through June 1944 and in fiscal year 1943-44, by status of individual*¹

Administrative action	Total	Benefit status of deceased worker				
		Had not applied for annuity	Had applied for annuity which was not certified before July 1, 1944	Was certified for annuity before July 1, 1944		
				Total	Under 1937 act	Under 1935 act
Cumulative through June 1944						
Deaths reported ²	151,958	89,328	7,821	54,809	44,113	10,696
Cases disposed of, total.....	146,884	85,020	7,568	54,296	43,937	10,359
Certified for survivor benefits, total.....	96,224	78,689	6,160	11,375	4,120	7,246
Lump-sum death benefit.....	85,453	78,689	5,083	1,681	1,681	—
Survivor annuity only.....	2,592	—	144	2,448	2,448	—
Death-benefit annuity only.....	6,585	—	855	5,730	—	5,730
Survivor and death-benefit annuity.....	1,594	—	78	1,516	—	1,516
Not certified for survivor benefits, total.....	50,660	6,331	1,408	42,921	39,808	3,113
No benefit due.....	45,018	1,188	1,084	42,746	39,784	2,962
Benefit due but unpaid.....	5,642	5,143	324	175	24	151
Cases pending at end of period.....	5,074	4,308	253	513	176	337
Fiscal year 1943-44						
Cases to be disposed of, total.....	32,859	20,530	1,304	11,025	9,490	1,535
Pending at beginning of period.....	4,375	3,804	236	335	130	205
Deaths reported.....	28,366	16,651	1,048	10,667	9,357	1,310
Cases reconsidered.....	239	164	20	55	32	23
Less: Deaths reported in error.....	121	89	0	32	29	3
Cases disposed of, total.....	27,785	16,222	1,051	10,512	9,314	1,198
Certified for survivor benefits, total.....	16,457	13,804	909	1,744	955	789
Lump-sum death benefit.....	15,356	13,804	897	655	655	—
Survivor annuity only.....	305	—	5	300	300	—
Death-benefit annuity only.....	685	—	6	679	—	679
Survivor and death-benefit annuity.....	111	—	1	110	—	110
Not certified for survivor benefits, total.....	11,328	2,418	142	8,768	8,359	409
No benefit due.....	8,966	149	82	8,735	8,343	392
Benefit due but unpaid.....	2,362	2,269	60	33	16	17
Cases pending at end of period.....	5,074	4,308	253	513	176	337

¹ Certifications are reported on an accounting-month basis ended on approximately the 20th, and deaths of employee annuitants are reported through dates staggered from the 14th to the 27th. Other data are on a calendar-month basis. To this extent,

cases pending do not represent exact data as of June 30.

² Excludes erroneous reports of death.

³ An estimated 28 cases were in process of adjudication for employee annuities and are included in the number pending shown in table 6.

tively large number of applications received in each of the last 3 months indicates that the high level of certifications will be maintained at least for the next few months. The monthly average for those 3 months was 2,007, with 2,034 applications received in October—as in the case of certifications, the largest number since February 1941.

The 142,100 employee annuities in force at the end of October were payable at the average rate of \$66.69. The corresponding average for pensions was \$59.25, for survivor annuities, \$31.80, and for death-benefit annuities, \$35.98.

Adjudicative load in 1943-44.—The 24,700 employee-annuity claims handled in 1943-44 (table 6) represented a 7-percent increase over the total for the preceding year. Applications that require handling in the course of a year consist mainly of active appli-

cations carried over from the preceding year and those received as active applications or transferred to active status during the year. An application is active if the applicant has stopped working and appears to have met the eligibility requirements for an annuity, or if an adjudication of his claim to a permanent and total disability is in process, or if he has died. All others are classified as inactive until they are ready for adjudication.

Claims certified for payment made up 93 percent of the 19,500 cases disposed of during the year. The rest were closed without certification, in most cases because the applicant died before any benefit could become payable, and in the others because he had no creditable service or had abandoned his claim while it was being adjudicated. When an applicant dies after the beginning date of his annuity but before payments have begun, the

annuity is certified posthumously and the amount due is paid to the survivors only if the annuity accrual to the date of death is more than 4 percent of the credited compensation after 1936 or if a joint-and-survivor election had been made. Otherwise, no annuity is certified, but the lump-sum death benefit, from which annuity payments already made are ordinarily deducted, is paid without reduction. The number of active ap-

plications pending adjudication declined from 5,500 at the beginning of the year to 5,200 on June 30.

Potential claims for benefits arising out of deaths reported to the Board during the year totaled 32,900 (table 7), or about 11 percent more than in 1942-43. Survivor benefits certified, chiefly in the form of lump-sum payments, numbered 16,500. No benefits were due in almost 9,000 cases, the great majority involving an-

nuitants who had not elected joint-and-survivor annuities and had already received in annuity payments more than 4 percent of their credited compensation after 1936. In an additional 2,400 cases, some benefit was due but remained unpaid either because it was unclaimed or because it was claimed but abandoned by the survivors. A total of 27,800 cases was thus disposed of during the year, leaving 5,100 pending on June 30.

Social and Economic Data

Social Security and Other Income Payments

Income payments to individuals in October totaled \$13.1 billion, 0.9 percent more than September payments and 7.9 percent above those in October 1943. Social insurance and related payments accounted for 1.4 percent of the total as compared with 1.2 percent a year earlier.

Compensation of employees reached \$9.3 billion, 0.3 percent more than in September and 6.7 percent above the amount a year earlier. Entrepreneurial income—\$2.4 billion—was 3.2 percent more than in September and 4.7 percent more than in October 1943. This rise over last year is primarily a result of the increase in farm income; nonfarm income increased at a slower rate. Dividends and interest have increased steadily during the past year; the \$962 million paid in October was 11.3 percent above the amount a year earlier.

Direct relief payments, after 6 months at the same level, increased to \$79 million, 1.3 percent more than in October 1943.

Military allowances continued to rise but at a much slower rate than in earlier months. The October figure of \$237 million was 1.3 percent above that for September. These allowances have probably reached a peak and no further significant increases are anticipated.

Total social insurance and related payments in October were 1.7 percent above September levels and 24.5 percent above the amount a year earlier. This rise is primarily a result of the increase in retirement, disability, and survivor payments made under the

programs discussed in more detail below.

Social Insurance and Related Payments

Payments in October under the selected social insurance and related programs totaled \$100 million, 2.6 percent more than in September and 32.9 percent more than in October 1943 (table 2). The programs included in the monthly series repre-

sented 56 percent of all social insurance and related payments as estimated by the Department of Commerce.

Benefits under State unemployment compensation laws were 2.4 percent above those in September and 22.6 percent more than in October 1943. Railroad unemployment insurance benefits of about \$46,000 were 15.4 percent higher than in September and 4.9 percent above those in October 1943. Total unemployment benefits formed 4.4 percent of the total payments for October 1944. Payments

Table 1.—Income payments to individuals, by specified period, 1936-44¹

[In millions; data corrected to Dec. 6, 1944]

Calendar year and month	Total ²	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military allowances ⁵
					Work relief ⁶	Direct relief ⁷		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	-----
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	-----
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,008	-----
1939.....	70,793	43,870	15,441	8,891	1,870	1,071	1,616	-----
1940.....	76,210	48,218	14,313	9,175	1,577	1,098	1,801	-----
1941.....	92,710	60,262	18,599	9,761	1,213	1,112	1,744	-----
1942.....	116,652	79,642	23,933	9,441	586	1,060	1,844	\$136
1943.....	142,224	100,730	27,699	10,070	58	938	1,703	1,020
1943								
October.....	12,177	8,691	2,301	864	-----	75	143	100
November.....	12,358	8,809	2,346	870	-----	75	143	112
December.....	12,475	8,900	2,337	878	-----	79	147	134
1944								
January.....	12,672	9,003	2,402	885	-----	79	149	153
February.....	12,934	9,168	2,474	892	-----	79	156	165
March.....	12,887	9,104	2,456	900	-----	79	159	188
April.....	12,840	9,074	2,421	908	-----	78	161	198
May.....	12,927	9,096	2,452	917	-----	78	166	218
June.....	13,019	9,170	2,457	926	-----	78	165	222
July.....	12,999	9,234	2,356	935	-----	78	171	224
August.....	13,079	9,257	2,396	944	-----	78	172	231
September.....	13,023	9,246	2,336	953	-----	78	175	234
October.....	13,137	9,270	2,410	962	-----	79	178	237

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; for totals for years 1936-42 see October 1943 *Bulletin*; October payments were \$1 million.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces; and beginning with February 1944, mustering-out pay.

⁴ Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

⁵ Payments to recipients under 3 special public assistance programs and general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

⁶ Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

⁷ Government portion of payments to dependents of members of the armed forces; portion deducted from military pay included under compensation of employees as part of military pay rolls.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Table 2.—Selected social insurance and related programs, by specified period, 1936-44

[In thousands; data corrected to Dec. 6, 1944]

Calendar year and month	Total	Retirement, disability, and survivor programs												Unemployment insurance programs			
		Monthly retirement and disability benefits ¹					Survivor benefits							Rhode Island sickness compensation ¹⁰	Total	State unemployment compensation laws ¹⁰	Railroad unemployment insurance Act ¹¹
		Total	Social Security Act ²	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁵	Monthly			Lump-sum							
							Social Security Act ⁶	Railroad Retirement Act ³	Veterans Administration ⁷	Social Security Act ⁸	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁹				
Number of individuals																	
1943																	
October		401.3	158.1	76.0	633.7	329.5	4.1	318.4	10.1	1.2	1.3	3.4	4.9		60.7	0.7	
November		405.9	158.6	76.6	640.1	336.9	4.1	320.5	10.2	1.2	.8	3.4	4.4		56.4	.7	
December		411.4	159.0	76.8	648.6	344.6	4.1	322.7	10.5	1.2	1.4	3.3	4.1		64.4	.7	
1944																	
January		419.3	158.9	77.5	663.1	352.8	4.1	323.4	11.2	1.0	1.0	3.3	4.1		81.0	1.3	
February		427.9	159.2	77.5	687.5	363.1	4.2	325.1	12.2	1.3	1.0	3.5	4.6		104.0	1.2	
March		436.0	159.3	77.9	724.6	373.4	4.2	327.0	13.7	1.3	1.0	4.0	4.6		112.0	1.3	
April		442.2	159.5	78.5	759.2	382.1	4.2	329.3	12.3	1.4	1.0	4.1	5.5		83.3	.8	
May		451.0	159.8	78.7	792.8	391.9	4.2	332.5	13.4	1.5	1.3	4.5	8.3		87.1	.5	
June		458.5	159.9	79.2	814.4	399.2	4.2	336.5	12.3	1.3	.5	4.5	8.3		77.9	.4	
July		466.7	160.2	79.7	833.9	403.2	4.3	339.0	11.9	1.4	.9	4.4	7.6		65.7	.3	
August		475.6	160.7	80.1	854.7	411.1	4.3	344.1	14.2	1.7	1.2	4.2	7.0		72.3	.6	
September		482.2	161.2	80.9	875.6	421.8	4.3	350.9	14.2	1.6	1.2	3.7	5.9		63.3	.7	
October		492.3	162.1	82.2	901.4	434.4	4.3	358.7	15.5	1.6	1.2	3.8	5.6		63.6	.8	
Payments ¹²																	
1936	\$458,896	\$458,765		\$683	\$51,630	\$299,001		\$2	\$99,992			\$4,062	\$3,395		\$131	\$131	
1937	501,664	499,532		40,001	53,694	299,660		444	96,370	\$1,278		4,401	3,684		2,132	2,132	
1938	969,600	575,814		96,766	56,118	301,277		1,383	101,492	10,478		4,604	3,405		393,786	393,786	
1939	1,043,160	608,095		107,282	58,331	307,512		1,451	109,192	13,896		1,926	4,952	3,553	435,065	429,298	\$5,767
1940	1,188,630	654,041	\$21,074	114,166	62,019	317,851	\$7,784	1,448	105,696	11,736	2,497	5,810	3,960		534,889	518,700	15,889
1941	1,085,489	726,631	55,141	119,813	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352		558,538	544,321	14,537
1942	1,130,721	780,369	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120		550,352	544,084	6,268
1943	921,466	840,906	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,660	7,344	4,350	\$2,860	80,660	79,643	917
1944																	
October	75,292	71,702	8,471	10,609	6,195	27,716	5,174	146	10,200	1,433	465	625	341	325	3,591	3,546	44
November	75,803	72,221	8,566	10,615	6,228	28,204	5,294	142	10,244	1,442	437	419	329	310	3,582	3,540	42
December	77,856	73,540	8,686	10,643	6,280	28,574	5,422	148	10,349	1,468	445	902	334	289	4,316	4,274	42
January	80,074	74,728	8,880	10,637	6,319	29,523	5,568	141	10,502	1,584	402	563	316	292	5,346	5,271	75
February	85,300	79,077	9,138	10,665	6,356	31,886	5,763	147	11,638	1,725	531	587	345	297	6,224	6,156	67
March	87,518	80,095	9,313	10,629	6,402	32,897	5,944	145	10,932	1,936	487	685	406	319	7,423	7,344	79
April	88,132	82,613	9,439	10,707	6,426	35,303	6,035	148	10,897	1,721	554	572	416	395	5,519	5,471	48
May	90,442	84,641	9,659	10,741	6,412	36,290	6,209	150	10,960	1,867	586	739	433	595	5,502	5,771	81
June	90,311	85,061	9,810	10,712	6,454	36,258	6,316	146	11,457	1,712	518	625	457	596	5,250	5,224	26
July	96,393	92,025	9,999	10,798	6,536	41,925	6,364	147	12,589	1,656	557	468	439	547	4,368	4,347	21
August	96,305	91,459	10,236	10,843	6,506	40,369	6,549	148	12,547	1,968	661	712	419	502	4,846	4,808	38
September	97,506	93,219	10,289	10,889	6,549	41,524	6,775	151	13,004	1,962	602	684	369	422	4,287	4,247	40
October	100,066	95,670	10,573	11,040	6,659	42,747	7,012	147	13,293	2,138	570	706	379	404	4,396	4,350	46

¹ Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

² Number and amount of primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

³ Annuitants and pensioners as of 20th of month; includes disability beneficiaries. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁴ Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but include also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service, which were previously included in this table, will be summarized twice a year in the *Bulletin*.

⁵ Number of veterans receiving pensions and compensation and amount of payments.

⁶ Number and amount of widow's, widow's current, parent's, and child's benefits. Partly estimated.

⁷ Number of widows, parents, and children of deceased veterans on whose account payments were made and amount of payments.

⁸ Number and amount of survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

⁹ Number and amount of payments for burial of deceased veterans.

¹⁰ Number represents average weekly number of benefit recipients. Annual amounts under State unemployment compensation laws adjusted for voided benefit checks; monthly amounts unadjusted.

¹¹ Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. 1941, 1942, and 1943 annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

¹² Data represent payments to individuals and exclude cost of administration. Payments under the Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations; Rhode Island sickness compensation and State unemployment insurance payments are checks issued by State agencies. Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

¹³ Preliminary estimate.

under the Rhode Island sickness compensation program, 0.4 percent of the total, were 4.2 percent less than in September but 24 percent above the amount in October 1943.

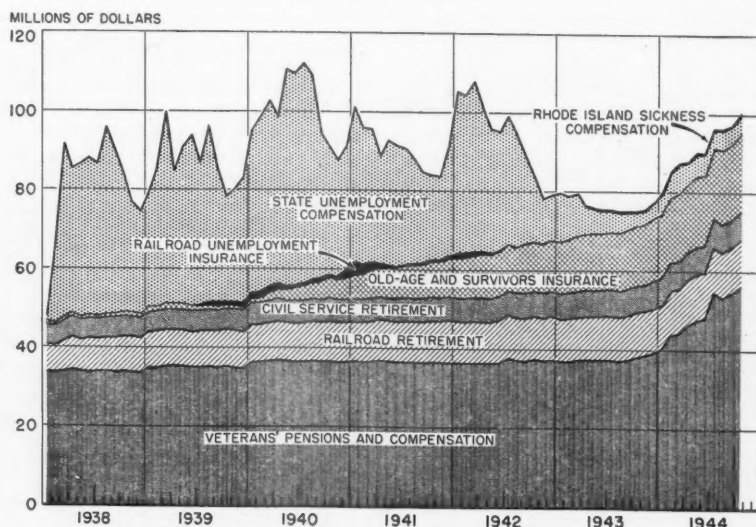
Monthly retirement and disability payments under all four programs were above the levels of October 1943, with the largest increase, 54.2 percent, occurring under the veterans' program. The rise in veterans' payments reflects both the increase in the number of veterans of World War II who are receiving compensation and the increased rates of compensation for veterans of the Spanish-American War and World Wars I and II. Of the 901,400 living veterans receiving pensions for disability or age in October, approximately one-third were World War II veterans. About 7,500 of the disabled World War II veterans were in training under the vocational rehabilitation program established by Public Law No. 16. Training is extended only to a veteran in need of vocational rehabilitation to overcome the handicap of his disability. Provision for the maintenance and support of the veteran during his training period is made through increased pension. The monthly amount provided—\$80 for a single man, \$95 for a married man with one child, with \$5 for each additional child and \$10 for each dependent parent—was subsequently increased by Public Law No. 312, enacted in May 1944, which raised by 15 percent the compensation payable to veterans of World Wars I and II for service-connected disabilities.

Over the 12 months, payments under the social security program to retired workers and their families rose 24.8 percent. Increases in retirement and disability payments amounted to 7.5 percent under the civil-service programs and 4.1 percent under the railroad program.

The increase between October 1943 and October 1944 in monthly payments to survivors was 35.5 percent under the Social Security Act, 30.3 percent for the veterans' program and only 0.8 percent for the railroad program. Much of the increase in payments to survivors of veterans is attributable to larger average benefits rather than to additions to the benefit rolls.

October retirement and disability payments of \$71 million under the four programs were divided among 1.6 million beneficiaries. Monthly benefits totaling \$20 million were paid

Chart 1.—Payments under selected social insurance and related programs, January 1938–October 1944



to 797,000 survivors. Lump-sum payments which amounted to \$3.8 million were received by 22,000 survivors. Unemployment insurance benefits of \$4.4 million were paid to 64,000 persons and Rhode Island sickness benefits of \$404,000 were paid to 5,600.

The 927,000 beneficiaries who received monthly retirement or survivor payments under the Social Security Act in October represent about 575,000 families. The 249,000 monthly beneficiaries receiving monthly retirement, disability, or survivor payments under the railroad and civil-service retirement programs, equal approximately the number of families receiving benefits, since these programs do not provide supplementary payments for wives and children of retired or disabled workers and since monthly benefits are not paid to more than one survivor of a deceased annuitant. The 1.3 million monthly beneficiaries under veterans' programs represent about 1.2 million families.

Increased Pension Rates for Veterans of Regular Establishment and Wars Prior to World War I

Rates of pensions payable for service-connected disability to peacetime veterans of the Regular Establishment and to veterans of wars prior to World War I were increased by 15 percent through the enactment of Public Law No. 469 on December 8. The increase does not apply to special awards and

allowances fixed by law, such as an additional allowance for a nurse or attendant.

The increase in rates is comparable to that already extended, through Public Law No. 312,¹ to the service-connected disability pensions of veterans of World Wars I and II and of veterans entitled to wartime rates because of service on or after September 16, 1940. Under the new law, the increase is made retroactive to June 1944, when the increased rates of Public Law No. 312 were effective.

It is estimated that 41,200 veterans are entitled to the increased rates provided by Public Law No. 469 and that the cost of the increase will approximate \$2.4 million for the first year. Of this number, 40,100 are veterans of the Regular Establishment. Former members of the Regular Establishment with service-connected disabilities incurred in peacetime have historically been entitled to approximately 75 percent of the rates payable for wartime service-connected disability. The 75-percent ratio, temporarily superseded by the increased wartime rates of Public Law No. 312, is restored by the new legislation.

Only about 1,100 veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, will be entitled to the increased rates. The group of Spanish-American War veterans with service-

¹ See the *Bulletin*, June 1944, pp. 39-40.

connected disabilities constitutes less than 1 percent of all Spanish-American War veterans currently receiving pensions or compensation. Earlier legislation (Public, No. 242, March 1, 1944)² raised the rates of pensions payable to veterans of the Spanish-American War for age or for total disability of non-service-connected origin.

Estimated Workmen's Compensation Payments, 1943

Preliminary estimates³ of workmen's compensation payments during 1943, by State and type of insured status, are shown in table 3. Total payments for that year are estimated at \$360 million, an increase of 7.3 percent over 1942. The relative increase is somewhat less than that in 1942 when payments were 13 percent above those in 1941. According to estimates made by the Bureau of Labor Statistics, 2.4 million disability work injuries occurred in 1943, an increase of about 6 percent over 1942, with temporary total disabilities accounting for 95 percent of the total increase.

Benefit payments by private carriers for 1943 rose 12 percent over 1942 while State funds and self-insurance showed much smaller increases, due in part to the usually lower accident experience of self-insurers and the tendency of employers with Federal Government contracts to insure their risks with private carriers.

Variations in the level of benefit payments among the States reflect relative differences in the incidence of covered employment, frequency and severity of compensable injuries, maturity of the program, and liberality of benefit provisions. Total payments decreased in 11 States and increased in 37 States and under the program for Federal employees; only 1 State—Iowa—showed no percentage change. In 5 States the percentage increase from 1942 to 1943 was 25 percent or more. Of the 11 States in which payments decreased, only 3 (Colorado, New Mexico, and South Dakota) showed a drop of 10 percent or more.

In 1943 payments in each of 6 States—California, Illinois, New Jersey, New York, Ohio, and Pennsylvania—amounted to more than \$20

million. Payments in California, Illinois, and New Jersey rose between 1942 and 1943 at rates higher than the national average of 7.3 percent, while payments in New York, Ohio, and Pennsylvania decreased slightly. The combined payments of the 6 States made up 51 percent of the total in 1943, a drop from the 53 percent which

they accounted for in 1942. Seven States, excluding Mississippi which has no workmen's compensation law, made payments in 1943 of less than \$1 million apiece. The payments of these States formed a somewhat smaller proportion of total payments in 1943 than in 1942, 1.1 percent as compared with 1.3 percent.

Table 3.—Preliminary estimates of workmen's compensation payments, by State, 1942 and 1943¹

[In thousands]

State	1942				1943				Percentage change in total payments, 1942-43
	Total	Insurance losses paid, private carriers ²	State fund, net disbursements ³	Self-insurance payments ⁴	Total	Insurance losses paid, private carriers ²	State fund, net disbursements ³	Self-insurance payments ⁴	
Total.....	\$335,963	\$190,239	\$80,616	\$65,108	\$360,405	\$213,182	\$80,688	\$66,535	+7.3
Alabama.....	2,083	1,472	—	611	2,441	1,725	—	716	+17.2
Arizona.....	1,763	50	1,623	81	2,047	313	1,550	84	+16.1
Arkansas.....	1,617	1,617	—	—	1,887	1,887	—	—	+16.7
California.....	28,402	15,799	5,882	6,721	34,711	21,557	5,667	7,487	+22.2
Colorado.....	2,971	814	1,240	917	2,633	751	1,090	822	-10.4
Connecticut.....	5,791	4,924	—	867	6,462	5,495	—	967	+11.6
Delaware.....	470	359	—	111	495	388	—	107	+5.3
District of Columbia.....	1,540	1,375	—	165	1,449	1,294	—	155	-5.9
Florida.....	2,916	2,536	—	380	3,538	3,225	—	313	+21.3
Georgia.....	2,083	1,762	—	321	2,449	2,130	—	319	+17.6
Idaho.....	1,274	373	542	359	1,521	516	577	428	+19.4
Illinois.....	18,379	13,955	—	4,424	20,694	15,821	—	4,873	+12.6
Indiana.....	5,811	4,436	—	1,375	6,791	5,326	—	1,465	+16.9
Iowa.....	2,464	1,971	—	493	2,464	1,971	—	493	0
Kansas.....	2,015	1,446	—	569	3,135	2,375	—	760	+55.6
Kentucky.....	4,716	1,848	—	2,868	5,211	2,042	—	3,169	+10.5
Louisiana.....	5,184	3,914	—	1,270	5,709	4,478	—	1,231	+10.1
Maine.....	1,628	1,368	—	260	1,847	1,552	—	295	+13.5
Maryland.....	4,078	2,881	437	760	5,153	3,688	553	912	+26.4
Massachusetts.....	9,555	9,313	—	242	10,126	9,869	—	257	+6.0
Michigan.....	10,954	6,626	1,021	3,307	12,210	7,431	905	3,874	+11.5
Minnesota.....	4,842	3,696	—	1,146	5,495	4,310	—	1,185	+13.5
Mississippi.....	23	23	—	—	34	34	—	—	+47.8
Missouri.....	6,422	4,920	—	1,502	5,974	4,685	—	1,289	-7.0
Montana.....	2,127	188	1,270	669	2,302	265	1,302	735	+8.2
Nebraska.....	1,148	1,096	—	52	1,440	1,375	—	65	+25.4
Nevada.....	1,024	(5)	923	101	1,070	(5)	969	101	+4.5
New Hampshire.....	933	915	—	18	950	931	—	19	+1.8
New Jersey.....	19,439	14,839	—	4,600	21,836	16,734	—	4,602	+9.8
New Mexico.....	942	719	—	223	875	451	—	124	-39.0
New York.....	62,878	37,278	15,333	10,267	61,061	37,749	13,342	9,970	-2.9
North Carolina.....	3,027	2,463	—	564	3,326	2,706	—	620	+9.9
North Dakota.....	747	1	746	—	685	(5)	685	—	-8.3
Ohio.....	23,471	42	20,138	3,291	22,617	72	19,604	2,941	-3.6
Oklahoma.....	4,539	2,990	544	1,005	5,137	3,646	664	827	+13.2
Oregon.....	4,822	453	4,369	—	5,146	448	4,698	—	+6.7
Pennsylvania.....	25,699	12,630	2,642	10,347	25,029	13,022	2,371	9,636	-2.3
Rhode Island.....	2,498	2,224	—	274	3,400	3,028	—	372	+36.1
South Carolina.....	2,249	1,973	—	276	2,596	2,215	—	381	+15.4
South Dakota.....	361	276	—	85	323	253	—	70	-10.5
Tennessee.....	2,931	2,135	—	796	3,480	2,529	—	951	+18.7
Texas.....	12,996	12,996	—	—	14,669	14,669	—	—	+12.9
Utah.....	1,575	609	685	281	1,673	708	667	298	+6.2
Vermont.....	459	444	—	15	436	422	—	14	-3.0
Virginia.....	3,725	2,811	5,673	914	3,713	2,802	—	911	-3.3
Washington.....	6,466	193	—	600	7,841	191	6,500	650	+13.5
West Virginia.....	6,820	44	6,875	201	7,466	11	7,205	250	+0.5
Wisconsin.....	7,223	5,443	—	1,780	7,888	6,091	—	1,797	+9.2
Wyoming.....	411	(5)	411	—	442	1	441	—	+7.5
Federal employees.....	10,562	—	10,562	—	11,798	—	11,798	—	+11.7

¹ Data for calendar years, except for Montana, Nevada, North Dakota, Oregon, West Virginia, and Federal employees, for which fiscal years ended in 1942 and 1943 were used. State fund net disbursements of Utah are also on this basis. Benefit payments made under the Longshoremen's and Harbor Workers' Compensation Act and under the Defense Base Act are included in data for the States in which payments are made.

² From the *Spectator*, *The Insurance Yearbook*, *Casualty*, *Surety*, and *Miscellaneous*, 71st and 72d annual issues; represents net amount of cash and

medical benefits paid by private insurance carriers under standard workmen's compensation policies.

³ Compiled from State data and from the *Spectator*; estimated for Arizona, Idaho, Oklahoma, and Washington; represents net amount of cash and medical benefits paid by State funds.

⁴ Estimated from available State data; represents amounts of cash and medical benefits paid by self-insurers plus amounts of medical benefits paid by employers carrying ex-medical policies.

⁵ Less than \$500.

² See the *Bulletin*, April 1944, p. 2.

³ For method of estimating, see the *Bulletin*, January 1942, pp. 6-14.

Financial and Economic Data

Receipts and Expenditures

Social security tax receipts in October were 2.9 percent of total Federal receipts as compared with 2.2 percent in October 1943. This increase in proportion resulted from a decline of about 1 percent in total receipts and an increase of 31 percent in

social security taxes. In the first 4 months of the current fiscal year, both total Federal and social security tax receipts were higher than in the corresponding period of 1943-44, with a proportionately greater rise for the latter.

Federal receipts from all sources amounted to \$2,054 million in October, as compared with \$5,927 million in the preceding month and \$2,069 million in October 1943 (table 4). As usual, the decrease from September

to October resulted primarily from large income-tax receipts in September.

Federal insurance contributions of \$55.4 million in October were 33.4 percent above collections a year earlier. Contributions collected in July-October were nearly 8 percent above those in the same period of 1943 and 31 percent above those in July-October 1942.

Total contributions collected under the selected social insurance programs

Table 4.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-44

[In millions]																			
Period	General and special accounts												Public debt						
	Receipts of Federal Government				Expenditures of Federal Government								Trust accounts, etc., [§] excess receipts (+) or expenditures (-)	Change in general fund balance	Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other
	Total	Social security taxes ¹	Railroad retirement and unemployment taxes ²	All other	Total	Under the Social Security Act		Under the Railroad Retirement Board		All other	Excess receipts (+) or expenditures (-)								
						Administrative expenses and grants to States ³	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses	Transfers to railroad retirement account										
Fiscal year:																			
1936-37.....	\$5,294	\$252	(7)	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312		\$35,846	
1937-38.....	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66	35,565	
1938-39.....	5,668	631	109	4,928	9,210	342	503	3	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67	37,929	
1939-40.....	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79	39,441	
1940-41.....	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74	44,233	
1941-42.....	13,668	1,016	178	12,474	33,265	501	869	10	141	31,744	-19,598	-3,506	+358	72,422	3,202	3,139	92	65,989	
1942-43.....	23,385	1,289	219	21,877	79,282	504	1,103	8	215	77,452	-55,897	-1,861	+6,515	136,696	4,237	4,367	178	127,914	
1943-44.....	45,408	1,472	279	43,657	95,003	519	1,260	6	263	92,955	-49,595	-4,051	+10,662	201,003	5,409	5,870	319	189,405	
4 months ended:																			
October 1942.....	4,766	323	52	4,391	22,543	204	299	3	146	21,891	-17,177	-800	+1,905	92,904	3,403	3,397	106	85,908	
October 1943.....	12,570	390	66	12,114	30,084	200	364	2	194	29,324	-17,514	-1,046	+9,790	165,047	4,499	4,768	332	155,448	
October 1944.....	13,053	423	77	12,553	32,578	174	395	2	239	31,768	-19,525	+106	-10,178	210,244	5,677	6,268	512	197,787	
1943																			
October.....	2,069	45	1	2,023	7,495	57	39	(7)	34	-7,365	-5,426	-132	+1,139	165,047	4,499	4,768	332	155,448	
November.....	2,370	284	8	2,078	8,110	40	271	(7)		7,799	-5,740	+290	-4,338	166,158	4,499	5,056	321	156,282	
December.....	5,737	5	56	5,676	7,453	24	1	1		7,427	-1,716	-667	-2,664	165,877	4,779	5,095	310	155,693	
1944																			
January.....	2,779	48	1	2,730	7,602	58	32	(7)	34	7,478	-4,823	-14	-55	170,659	4,768	5,166	333	160,392	
February.....	2,754	369	4	2,381	8,112	33	250	(7)		7,829	-5,359	-173	+6,916	183,107	4,808	5,427	322	172,490	
March.....	6,576	8	61	6,507	8,528	35	2	(7)		8,491	-1,952	-2,205	-2,549	184,715	5,012	5,466	311	173,926	
April.....	3,119	38	(7)	3,081	7,890	53	32	(7)	34	7,771	-4,772	+193	-4,327	184,967	5,012	5,494	334	174,127	
May.....	3,256	324	14	2,918	8,598	44	306	(7)		8,248	-5,342	+185	-3,757	186,366	5,012	5,774	322	175,258	
June.....	6,249	6	68	6,175	8,627	32	2	(7)		8,593	-2,378	-613	+11,646	201,003	5,409	5,870	319	189,405	
July.....	2,212	55	1	2,156	8,159	53	49	1	205	7,851	-5,947	+133	+1,756	208,574	5,397	5,913	513	196,751	
August.....	2,859	305	14	2,540	8,410	39	291	(7)		8,080	-5,551	+70	-4,252	209,802	5,397	6,211	502	197,692	
September.....	5,927	4	60	5,863	7,931	34	1	1		7,895	-2,004	-244	-2,555	209,496	5,677	6,245	490	197,084	
October.....	2,054	59	1	1,994	8,078	50	54	1	34	7,939	-6,023	+148	-5,127	210,244	5,677	6,268	512	197,787	

¹ Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

² Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

³ Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 5, footnote 5).

⁴ Checks cashed and returned to Treasury. Excludes public-debt retirement.

⁵ Includes administrative expenses under Wagner-Peyser Act for employment service administration, July 1940-December 1941, but excludes grants to States under that act; the latter are included in "all other." From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Also excludes funds for disease and sanitation investigations

of Public Health Service. For fiscal year 1943-44 includes expenditures from \$4,085,411 transferred to Social Security Board from War Manpower Commission for employment office facilities and services.

⁶ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁷ Less than \$500,000.

⁸ Excludes Social Security Board administrative expenses for August. Because of unavoidable circumstances affecting Treasury bookkeeping operations, August administrative expenditures were not drawn against Social Security Board appropriation accounts but against another account; the August figure in *Daily Statement of the U. S. Treasury*, therefore, includes none of expenditures actually made during month, but represents an advance from another account. Necessary adjustments are reflected in the September figure.

⁹ Includes Social Security Board administrative expenses for August. See footnote 8.

Source: *Daily Statement of the U. S. Treasury*.

shown in table 5 amounted to \$1,037.5 million in the 4 months ended October 31, an increase of 7.2 percent over the comparable total in 1943. More than half of this amount consisted of State unemployment contributions collected by State agencies and the 90 percent of railroad unemployment insurance contributions deposited in the railroad unemployment insurance account. Receipts under each of the five taxes were higher than in the comparable 4 months of any previous year.

Indexes of industrial production and factory employment declined slightly in October. The Federal Reserve Board adjusted index of industrial production was 1 point lower than in September and 17 points be-

low the figure for October 1943; the Bureau of Labor Statistics index of factory employment, adjusted for seasonal variation, declined less than 1 point from September but was 16 points below last year's level. The declines in these indexes were largely in the durable-goods field. Among nondurable goods, textiles and shoes showed decreased output, while food production increased after allowance for seasonal adjustment. The rise in manufactured food products was due to larger fruit and vegetable crops resulting in increased activity in canneries. The BLS cost of living index showed a very slight decline from September, primarily due to lower food prices.

Federal expenditures in October totaled \$8,078 million, nearly 8 percent more than in October 1943 (table 4). July-October expenditures were also about 8 percent above those in the comparable months of 1943-44. Expenditures under the Social Security Act, including net appropriations to the old-age and survivors insurance trust fund, administrative expenses, and grants to States, represented 1.8 percent of total Federal expenditures in July-October—about the same proportion as a year earlier.

Total Federal expenditures under the Social Security Act for grants to States and administrative expenses amounted to \$174 million during July-October, 13 percent less than in

Table 5.—Social insurance taxes under selected programs, by specified period, 1936-44

(In thousands)

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employes ²	State unemployment contributions ³	Federal unemployment contributions ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through October 1944	\$6,256,867	\$1,237,491	\$7,753,190	\$930,639	\$460,603
Fiscal year:					
1936-37	194,346	345	(7)	\$57,751	-----
1937-38	514,406	150,132	(7)	\$90,104	-----
1938-39	530,358	109,257	803,007	100,869	-----
1939-40	604,694	120,967	833,955	107,523	49,167
1940-41	690,555	136,942	888,450	97,677	68,162
1941-42	895,619	170,012	1,093,901	119,944	84,738
1942-43	1,130,495	208,795	1,217,737	158,361	102,710
1943-44	1,292,122	267,065	1,353,272	179,909	121,518
4 months ended:					
October 1942	308,441	50,050	410,186	14,785	24,241
October 1943	374,770	63,413	486,278	15,372	27,601
October 1944	404,272	73,977	506,404	18,502	34,308
1943					
October	41,542	1,091	134,899	3,031	1,353
November	273,587	8,206	196,735	10,478	1,523
December	3,671	52,914	9,273	1,145	27,069
1944					
January	33,849	1,231	128,789	14,222	211
February	262,219	4,055	175,358	116,529	750
March	4,404	58,581	11,385	3,559	28,479
April	35,136	354	150,189	3,265	78
May	309,381	13,434	175,229	14,250	975
June	5,107	64,877	20,037	1,089	34,832
July	51,751	1,395	172,482	2,948	57
August	293,279	14,182	160,332	11,727	1,099
September	3,814	56,936	4,369	666	33,105
October	55,427	1,464	169,221	3,160	48

¹ Tax effective Jan. 1, 1937, payable by employers and employees.

² Federal tax effective Mar. 1, 1936, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to Nov. 27, 1944.

⁴ Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

⁵ Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 4, which represent only the 10 percent deposited in general and special accounts of Treasury.

⁶ Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

⁷ Not available.

Source: Daily Statement of the U. S. Treasury, unless otherwise noted.

Table 6.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1943-45

(In thousands)

Item	Fiscal year 1943-44		Fiscal year 1944-45	
	Appropriations ¹	Expenditures through October ²	Appropriations ¹	Expenditures through October ³
Total	\$498,091	\$199,687	\$480,607	\$173,691
Administrative expenses	26,118	10,970	25,807	9,483
Federal Security Agency, Social Security Board ⁴	25,451	8,360	25,221	6,882
Department of Labor, Children's Bureau	417	143	421	136
Department of Commerce, Bureau of the Census	250	99	165	44
Department of the Treasury ⁵	(7)	2,369	(7)	2,420
Grants to States	471,973	188,717	454,800	164,208
Federal Security Agency	460,773	184,886	443,600	161,220
Social Security Board	449,773	179,591	432,600	155,602
Old-age assistance	336,350	135,346	336,350	115,318
Aid to dependent children	65,000	22,459	65,000	19,553
Aid to the blind	9,000	3,635	9,000	3,716
Unemployment compensation administration	\$39,423	18,151	29,000	17,013
Public Health Service:				
Public health work	11,000	5,295	11,000	5,618
Department of Labor, Children's Bureau	11,200	3,831	11,200	2,988
Maternal and child health services	5,820	2,181	5,820	1,371
Services for crippled children	3,870	1,154	3,870	988
Child welfare services	1,510	497	1,510	629

¹ Includes, for 1943-44, transfer of \$4,095,411 from War Manpower Commission for employment office facilities and services.

² Based on checks cashed and returned to Treasury.

³ Represents appropriations and expenditures for salaries and for some miscellaneous items; excludes other miscellaneous expenditures of the Board made from Federal Security Agency appropriations. Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of Treasury.

⁴ Represents amounts expended by Treasury in administration of title II of Social Security Act and Federal Insurance Contributions Act, reimbursed to general fund of Treasury.

⁵ Not available.

⁶ Includes \$4,095,411 transferred from WMC for employment office facilities and services—\$2,150,000 transferred on Nov. 5, 1943, and \$1,945,411 transferred on Apr. 15, 1944.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

the first 4 months of fiscal year 1943-44. Grants to States were lower for all programs except aid to the blind, public health work, and child welfare services, the grants for which increased 2.2, 6.1, and 26.6 percent, respectively; the largest percentage decrease was that for maternal and child health services—37.1 percent. Administrative expenses in connection with the programs under the Social Security Act were lower for all agencies except the Treasury Department.

Status of Trust Accounts

October appropriations to the old-age and survivors insurance trust fund of amounts equivalent to employee and employer contributions collected totaled \$55.4 million (table 7). Benefit payments, on a check-cashed basis, amounted to \$19.2 million, the largest monthly figure on record. Reimbursements from the fund to the Treasury for administrative expenses were \$1.9 million in October, indicating a total reimbursement of \$5.6 million for the current quarter, \$1.7 million less than in the preceding quarter. This decline is due to a bookkeeping adjustment necessitated by an overreimbursement in the 3 preceding years and does not necessarily represent an actual decline in the administrative costs of the program (see table 7, footnote 4).

There were no investment transactions on behalf of the fund during October, and the increase in total assets represented a rise in unexpended balances.

In October, \$34.0 million was transferred from the appropriation account to the trust fund for the purpose of paying railroad retirement benefits for the October-December quarter (table 8). Treasury notes were purchased for a total of \$22 million, approximately the difference between the transfer and the amount required for benefit payments in October. Interest for the month amounted to \$104,000. Assets on October 3 totaled \$596 million, of which \$513 million was invested in Treasury notes. Cash credited to the disbursing officer totaled \$13 million, and \$70 million was held in the appropriation account.

State deposits in the unemployment trust fund in October amounted to \$57.2 million, \$6.6 million more than in July and \$21.7 million more than in October 1943. Withdrawals from State accounts for benefit pay-

ments were \$1.5 million more than a year earlier. Total balances in State accounts on October 31 were 32 percent higher than a year earlier. Deposits in the railroad unemployment insurance account during the month were less than \$50,000.

During October the unemployment trust fund acquired \$23 million of 1½-percent special certificates of indebtedness maturing June 30, 1945, raising its total investments to \$6,268.0 million as of October 31. The average rate of interest on these investments was 1.901 percent, the same as last month but slightly above the rate on October 31, 1943. Interest payments of \$825,408 were credited to the fund in October. Assets of the fund increased \$53.3 million during the month and totaled \$6,301.4 million on October 31.

Intrastate Equalization Measures

Interstate inequalities in fiscal capacity and in levels of public assistance payments have occasioned various proposals for adjusting Federal assistance grants to allow for differences in State fiscal capacity. Intrastate differentials in fiscal ability and in levels of public assistance, while in some ways of equal significance, have had less attention.

Few States have developed equalization procedures in connection with the financing of public assistance. As a result, both the extent to which need is met and, where local financial participation is required, the fiscal burdens of public assistance vary considerably among localities in many States. In public education, on the other hand, measures to equalize costs and services within a State have been in use for some 25 years and are widely accepted in principle and practice.

At least 38 States now make some attempt to equalize the fiscal burden of a minimum educational program among their political subdivisions, although the State government in many instances carries only a marginal part of the total costs. While in 3 States the State government bears almost the entire cost, only 5 additional States provide as much as 15 percent of the total cost of public elementary and secondary education through equalization aids.

In contrast, although localities are required to participate in the financing of 1 or more of the 3 special types of public assistance in 28 States, in very few States is any attempt made to adjust the basis of local participation so as to allow for differences in local fiscal ability. The problem of equalization also exists in the financing of general assistance in nearly all States.

Under the equalization plans used for education, State laws and administrative agencies prescribe uniform standards for measuring educational need in each subdivision. A minimum State program typically is defined in terms of costs per some measurable unit, such as per pupil, teacher, or classroom, over some time period, and State aid is given toward support of this minimum.

States usually measure differences in local fiscal ability to support education on the basis of general property assessment data, since the property tax is the major source of local school support; in most instances, they also take account of other sources of funds available for school support. Notwithstanding the wide use of property assessments, there is considerable dissatisfaction with these data as a basis for differentiating local fiscal ability. More than a dozen States make no attempt to equalize assessments among their subdivisions, and many others fail to adjust completely for inequalities in assessment levels among local units.

Measures of fiscal capacity independent of assessment data have been proposed and tested. One is embodied in the Alabama educational equalization law, which measures county fiscal ability by a weighted index including sales taxes paid, auto licenses, public utility valuation, income taxes paid, farm income, and value added by manufactures. An alternative, of course, is to improve property assessments. Many authorities believe the best way to obtain better assessments is through State central assessment. Short of that, they favor more thorough State equalization and supervision of local assessments.

Nearly 30 States require, as a prerequisite to the receipt of State equalization aids for education, that local units levy a specified mill rate on property for schools. In theory at

Table 7.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-44

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses ⁴	Net total of U. S. Government securities acquired ⁵	Cash with disbursing officer at end of period	Credit of fund account at end of period ⁶	Total assets at end of period
Cumulative through October 1944.....	\$6,115,649	\$408,377	\$616,095	\$135,175	\$5,676,834	\$26,686	\$69,326	\$5,772,846
Fiscal year:								
1936-37.....	265,000	2,262	27		267,100	73	62	267,235
1937-38.....	387,000	15,412	5,404		395,200	1,931	113,012	777,243
1938-39.....	503,000	26,951	13,892		514,900	3,036	66	1,180,302
1939-40.....	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940-41.....	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941-42.....	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1942-43.....	1,130,495	87,403	149,304	27,492	1,035,200	24,495	6,966	4,268,296
1943-44.....	1,292,122	103,177	184,597	32,607	1,172,036	21,384	16,136	5,446,391
4 months ended:								
October 1942.....	308,441	886	45,696	9,312	201,461	31,487	46,932	3,491,514
October 1943.....	374,770	562	56,485	11,087	262,051	25,910	51,260	4,576,055
October 1944.....	404,272	3,718	72,354	9,181	267,964	26,686	69,326	5,772,846
1943								
October.....	41,542		14,549	2,619		25,910	51,260	4,576,055
November.....	273,587		14,748	2,619		27,152	306,237	4,832,274
December.....	3,671	2,122	14,990	2,619	279,949	29,097	12,327	4,820,458
1944								
January.....	33,849	110	15,275	2,002	-11,000	30,816	38,490	4,837,140
February.....	252,219		15,693	2,002	100,036	31,114	172,679	5,071,663
March.....	4,404	554	16,615	2,002	144,000	28,479	17,655	5,058,004
April.....	35,136		16,494	3,424		23,977	37,374	5,073,221
May.....	309,381		17,126	3,424		22,838	327,343	5,362,051
June.....	5,107	99,828	17,171	3,424	397,000	21,384	16,136	5,446,391
July.....	51,751	4	16,630	2,437	-12,000	24,747	57,462	5,479,079
August.....	233,279		16,116	2,437		25,630	329,312	5,751,802
September.....	3,814	3,714	18,402	2,437	279,964	26,898	34,760	5,738,492
October.....	55,427		19,204	1,869		26,686	69,326	5,772,846

¹ Beginning July 1940 trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Based on checks cashed and returned to Treasury.

⁴ Figures for October-December 1944, in addition to usual bookkeeping adjustment for April-June quarter, include additional bookkeeping adjustments for

expenditures shown in table for fiscal years 1941-42, 1942-43, and 1943-44. Corrected figures for these fiscal years will not be shown; therefore, figures in table do not reflect actual outlays in the respective years.

⁵ Minus figures represent net total of notes redeemed; includes accrued interest.

⁶ Prior to July 1940, includes balance of appropriation available for transfer.

Source: Daily Statement of the U. S. Treasury.

Table 8.—Status of the railroad retirement account, by specified period, 1938-44

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through October 1944.....	\$1,425,688	\$27,431	\$1,453,119	\$1,355,688	\$857,567	\$512,500	\$70,165	\$12,887	\$595,552
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938-39.....	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939-40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940-41.....	113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42.....	140,850	3,143	143,993	140,850	126,244	91,500	11,597	11,686	104,782
1942-43.....	214,801	5,777	220,578	214,301	130,465	178,000	4,120	12,776	194,896
1943-44.....	262,720	9,837	272,557	262,720	134,416	318,500	1,147	13,390	333,037
1944-45 (through October).....	308,817	245	309,062	238,817	46,547	512,500	70,165	12,887	595,552
1943									
October.....		101	101	33,500	11,283	332,000	68,608	12,713	413,321
November.....		129	129		11,144	321,000	68,633	12,672	402,305
December.....		156	156		11,096	310,000	68,673	12,693	391,366
1944									
January.....		184	184	34,000	11,214	333,000	34,700	12,636	380,336
February.....		211	211		11,147	322,000	34,722	12,678	369,400
March.....		238	238		11,403	311,000	34,748	12,486	358,235
April.....		290	290	34,500	11,267	333,500	341	13,417	347,258
May.....		293	293		11,459	322,500	338	13,254	336,092
June.....		8,105	8,105		11,161	318,500	1,147	13,390	333,037
July.....	308,817	16	308,833	204,817	10,064	512,500	104,681	13,724	631,205
August.....		48	48		12,219	501,500	105,101	12,434	619,035
September.....		76	76		11,870	490,500	104,158	12,583	607,242
October.....		104	104	34,000	11,794	512,500	70,165	12,887	595,552

¹ Based on checks cashed and returned to Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ A appropriation reduced by transfer of \$9 million in October 1940 to prior-service

account for collection of service and compensation data of railroad workers prior to 1937.

Source: Daily Statement of the U. S. Treasury.

least, the State equalization aid is to make up the difference in each county between total expenditure needs and the yield from this uniform tax rate. Thus, the States have attempted to equalize the local tax burden for edu-

cation as well as the school program maintained by each locality.

State experience in equalizing educational costs and services thus includes employment of uniform standards for measuring need, use of the

yield of a uniform property tax rate taken in conjunction with other available revenues as measures of ability and effort, State support for a minimum program, and a constant search for better data and better formulas.

Table 9.—Status of the unemployment trust fund, by specified period, 1936-44¹

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired ²	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ³	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ⁴
Cumulative through October 1944.....	\$6,301,412	\$6,268,000	\$33,412	\$7,683,859	\$355,098	\$2,275,859	\$5,763,098	\$414,556	\$23,616	\$43,968	\$538,313
Fiscal year:											
1936-37.....	312,389	283,386	94	291,703	2,737	1,000	312,389				
1937-38.....	884,247	559,705	12,247	747,690	15,172	190,975	884,247				
1938-39.....	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539				
1939-40.....	1,724,862	443,000	14,862	859,864	37,524	484,764	1,693,163	44,249	202	14,552	31,699
1940-41.....	2,283,658	563,000	10,658	892,023	45,893	537,343	2,093,736	61,347	3,059	17,784	189,921
1941-42.....	3,150,103	866,000	11,103	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,448
1942-43.....	4,372,460	1,228,000	5,460	1,217,686	75,563	174,334	4,002,570	92,441	6,861	1,834	369,890
1943-44.....	5,878,778	1,503,000	8,778	1,349,307	88,526	60,000	5,380,403	109,375	8,001	591	498,375
4 months ended:											
October 1942.....	3,404,682	258,159	7,523	326,323	46	68,832	3,111,190	21,817	10	777	293,470
October 1943.....	4,779,705	401,000	11,705	387,759	-----	16,878	4,373,450	24,842	-----	177	406,255
October 1944.....	6,301,412	398,000	33,412	399,518	756	17,579	5,763,098	30,878	69	134	538,313
1943											
October.....	4,779,705	28,000	11,705	35,567	-----	3,366	4,373,450	1,217	-----	39	406,255
November.....	5,066,953	288,000	10,953	289,375	-----	3,457	4,659,368	1,372	-----	42	407,585
December.....	5,146,745	39,000	51,745	14,238	41,101	3,594	4,711,113	24,362	3,722	37	435,632
1944											
January.....	5,177,412	71,000	11,412	35,787	-----	5,262	4,741,639	197	-----	56	435,773
February.....	5,435,081	261,000	8,081	263,181	-----	6,112	4,968,707	674	-----	74	436,373
March.....	5,471,327	39,000	5,327	17,603	-----	6,916	5,009,396	25,631	-----	73	461,931
April.....	5,508,478	28,000	14,478	43,714	-----	6,567	5,046,543	71	-----	67	461,935
May.....	5,780,782	280,000	6,782	277,219	-----	5,752	5,318,010	877	-----	40	462,772
June.....	5,878,778	96,000	8,778	20,431	47,425	5,465	5,380,403	31,349	4,279	25	498,375
July.....	5,925,618	43,000	12,618	50,028	-----	5,931	5,427,100	56	-----	24	498,518
August.....	6,215,750	298,000	4,750	284,766	-----	4,550	5,707,316	984	-----	17	508,433
September.....	6,248,160	34,000	3,160	6,878	-----	4,216	5,709,979	29,795	-----	48	538,180
October.....	6,301,412	23,000	33,412	57,245	756	4,882	5,763,098	43	69	45	538,313

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by Railroad Retirement Board and from which Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments. Totals and balances derived from unrounded figures, therefore, may differ slightly from sums of rounded figures.

² Includes accrued interest.

³ Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,066,000 of which \$111,000 was transferred from Kentucky account in July, \$1,000 in September, and \$53,000 in October 1944.

⁴ Includes transfers from railroad unemployment insurance administration fund amounting to \$38,030,880. Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,079,000.

Source: Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security*

War and Social Services

BENNETT, LOUIS L. "Problems of Homecoming." *Survey Monthly*, N. Y., Vol. 80, Sept. 1944, pp. 246-248. 30 cents.

"The troubles bothering returned servicemen and ways of preparing for them, described by the director, Veterans' Service Center, New York."

LEHMAN, HERBERT H. "UNRRA on the March." *Survey Graphic*, N. Y., Vol. 23, Nov. 1944, pp. 437-440 ff. 30 cents.

PERROTT, G. ST. J. "Findings of Selective Service Examinations." *Milbank Memorial Fund Quarterly*, N. Y., Vol. 22, Oct. 1944, pp. 358-366. \$1 a year.

An analysis of physical rejections.

"Railroad Employees in Military Service." *Monthly Review of the Railroad Retirement Board*, Chicago, Vol. 5, Nov. 1944, pp. 178-179. Processed.

Reviews the crediting of military service toward old-age and death benefits.

"Rehabilitation of Ex-Servicemen and Women in Canada." *International Labour Review*, Montreal, Vol. 50, Nov. 1944, pp. 649-651. 50 cents.

"UNRRA—Healer of Nations' Wounds." *Free World*, N. Y., Vol. 8, Nov. 1944, pp. 460-472. 40 cents. Brief articles by L. B. Pearson (Canada), Richard Kidston Law (Great Britain), Vladimir S. Hurban (Czechoslovakia), Rudolf Bicanic (Yugoslavia), Feliks Gross (Poland), and Tingfu F. Tsiang (China).

General

"AASW Platform on the Public Social Services, as Revised by the Delegation Conference, May 1944." *The Compass*, N. Y., Vol. 15, Sept. 1944, pp. 3-5. \$1 a year.

Social security coverage, services, organization, administration, and personnel are considered in the plat-

form of the American Association of Social Workers.

ALTMAYER, ARTHUR J. "Persistent Problems in Social Security." *Public Welfare*, Chicago, Vol. 2, Nov. 1944, pp. 258-263. 50 cents.

Points out similarities between insurance and assistance and considers such current problems as flat-rate pensions versus assistance, persons covered, adequacy of insurance benefits, and disqualification under unemployment compensation.

"Benefits for the Aged; Old Age Assistance and Old Age and Survivors Insurance." *Alabama Social Welfare*, Montgomery, Vol. 9, Oct. 1944, pp. 2-4.

BERNALDO DE QUIROS, JUAN. "A Legislação do Trabalho da República Dominicana." *Trabalho e Seguro Social*, Rio de Janeiro, Vol. 6, Aug. 1944, pp. 380-382.

A review of labor legislation in the Dominican Republic.

BEVERIDGE, SIR WILLIAM. "Social Security: Some Trans-Atlantic Comparisons." *Journal of the Royal Statistical Society*, London, Vol. 106, Sept. 1944, pp. 305-321. Discussion, pp. 322-332. 1s.

Explains for a British audience the differences in the United States and British systems and problems. Gives special attention to the NRPB report and the Wagner-Murray-Dingell bill. Discussion by both British and United States speakers.

BIKKAL, DENES. "La Política Social en Hungría. Conclusión." *Boletín de Información del Instituto Nacional de Previsión*, Madrid, Vol. 4, July 1944, pp. 941-948.

The last of 6 articles describing Hungary's social policy, with historical and current data on social insurance, wages, hours, and allied matters. The author is subdirector of the Hungarian National Insurance Institution. "The British Government's Social Insurance Plan." *International Labour Review*, Montreal, Vol. 50, Nov. 1944, pp. 668-674. 50 cents.

CANADA. BUREAU OF STATISTICS. *The Canada Year Book, 1943-44*. Ottawa: King's Printer, 1944. 1094 pp. \$2.

Includes descriptive and statistical information, for the Dominion and by Province, concerning social insurance and assistance.

CAVALCANTI DE CARVALHO, M. "Temas de Seguro Social, Em Torna da

Futura Lei de Previdência." *Trabalho e Seguro Social*, Rio de Janeiro, Vol. 6, May 1944, pp. 96-103.

Discusses improvement of social insurance in Brazil and recommends legislative changes. A chart shows contributions, benefits, and other provisions.

CESPEDES, MIGUEL ANGEL. "El Seguro Social en Bolivia." *Protección Social*, La Paz, Vol. 7, June 1944, pp. 7-21.

Backgrounds and planning in Bolivian social security, by the chairman of the General Social Insurance Law Research Commission.

CONDLIFFE, J. B., and STEVENSON, A. *The Common Interest in International Economic Organisation*. Montreal: International Labor Office, 1944. 135 pp. (Studies and Reports, Series B, No. 39.) \$1.

World-wide factors in maintaining full employment, social security, economic development, and international collaboration.

FERNANDES, ADAUTO. "Da Instituição do Seguro Social; III—Definição, Conceito e Evolução do Seguro." *Trabalho e Seguro Social*, Rio de Janeiro, Vol. 6, July 1944, pp. 325-334.

Latest in a series on the history and nature of social insurance. Considers the definition, concept, and evolution of social security, including the relation of insurance to assistance.

HAYEK, FRIEDRICH A. *The Road to Serfdom*. Chicago: University of Chicago Press, 1944. 250 pp. \$2.75.

A political essay advocating economic individualism and liberalism. The chapter, "Security and Freedom," upholds "the security of a given minimum of sustenance for all" as something "which can be provided for all outside of and supplementary to the market system." It opposes "security which can be provided only for some and only by controlling or abolishing the market."

HIGGINS, BENJAMIN. "The United States Public Work Reserve; An Experiment in the Co-ordination of Public Investment Planning." *International Labour Review*, Montreal, Vol. 50, Nov. 1944, pp. 581-602. 50 cents.

JOHNSTON, ERIC. *Social Security and a Dynamic Capitalism*. Address, Executives' Club, Chicago, Sept. 8, 1944. Chicago, 1944. 14 pp.

KALIF, GEORGE T. "Public Social Services in Retrospect and Prospect." *Virginia Public Welfare*, Richmond, Vol. 22, Aug. 1944, pp. 1-4.

A historical analysis emphasizing the importance of social security planning.

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Board or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Govt. Print. Off., Washington 25, D. C.

"Labour Legislation Enacted by the Parliament of Canada in 1944." *Labour Gazette*, Ottawa, Vol. 44, Sept. 1944, pp. 1171-1177. 20 cents a year.

Includes a description of the Family Allowances Act and several laws relating to veterans.

LINFORD, ALTON A. "Public Work and Fiscal Policy in the United States." *Social Service Review*, Chicago, Vol. 18, Sept. 1944, pp. 295-317. \$1.25.

A survey of the public works programs from 1921 to 1940.

LOPEZ ARTETA, F. A. "La Caja de Pensiones." *Boletín de Informaciones y de Estudios Sociales y Económicos* (Instituto Nacional de Previsión), Quito, Vol. 7, Mar. 1944, pp. 7-77.

Reviews in detail the development of the Pension Fund of Ecuador, for public employees, bank clerks, and employees of private insurance companies. Includes all legislation.

The December 1943 number of this review has the complete text of the current statutes, embodying the recent extensive reforms.

MUNOZ FONSECA, ENRIQUE. *El Seguro Social; Su Desarrollo en Costa Rica*. San Jose, Costa Rica: Tres Hermanos, Impresores, 1944. 135 pp.

Supplies the general and specific background of the Costa Rican social insurance law, outlines its provisions and those of later regulations, discusses the amendment to the National Constitution respecting social security, and considers the problem of workmen's compensation. Includes a bibliography.

PROVIDENT LOAN SOCIETY OF NEW YORK. *The Provident Loan Society of New York, 1894-1944; Fifty Years of Remedial Lending*. N. Y.: The Society, 1944. 52 pp.

History, statistics, and social aspects of the Society. Illustrated.

RAGGI AGEO, CARLOS M. *Seguridad Social en Cuba; Plan Batista. Informe Preparado por la Oficina de Estudios del Plan de Seguridad Social*. La Habana: Ministerio de Trabajo, 1944. 363 pp. (Publicaciones de la Revista Trabajo, Vol. II.)

Describes the existing Cuban social security programs, including some 20 pension funds, maternity insurance, workmen's compensation, and social assistance. An appendix contains the text of a bill for unifying and expanding social security in Cuba.

REQUA, LEONARD F. "Recent Social Welfare Legislation in New York State." *Public Welfare*, Chicago,

Vol. 2, Nov. 1944, pp. 270-273. 50 cents.

RODRIGUEZ OCHOA, AUGUSTIN. "Postulados de la Seguridad Social." *Revista de Economía*, Mexico, D. F., Vol. 7, June 30, 1944, pp. 30-32.

An attempt to formulate the basic postulates of social security in individual, national, and international terms.

STEVENS, SAMUEL N. "Outlook on Government Regulation of Employment Stabilization and Social Security." *The Controller*, N. Y., Vol. 12, Nov. 1944, pp. 483-485. 50 cents.

Holds that Government controls and social security will increase and that their administration can improve.

WILLIAMS, GERTRUDE. *The Price of Social Security*. N. Y.: Oxford University Press, 1944. 199 pp. \$3.75.

A study of the increasing immobility of labor in England, its causes, effects, and possible remedies. Includes chapters on wartime labor controls in Britain, Germany, and Russia. Finds that social security, although essential, is one factor which retards a desirable redistribution of labor and offers suggestions for correcting this effect.

Old-Age and Survivors Insurance

DAVIS, MALVIN E. *Industrial Life Insurance in the United States*. N. Y., London: McGraw-Hill Book Co., Inc., 1944. 399 pp. \$2.75.

LINTON, M. ALBERT. "Problems of Old Age and Survivors Insurance." *Eastern Underwriter, Life Insurance Salesmanship Edition*, 1944. N. Y., Vol. 45, Oct. 6, 1944, pp. 40 ff. \$1.

Considers coverage, acquisition of insured status, financial questions, and other points.

ROBINSON, GEORGE BUCHAN. "Accounting Error in Social Security." *Journal of Accountancy*, N. Y., Vol. 78, Nov. 1944, pp. 394-403. 35 cents.

A closely reasoned defense of a substantial reserve for old-age and survivors insurance, with an effort to locate the source of the view that a direct appropriation for benefits is the same as paying interest on bonds accumulated for benefits.

Employment Security

ARIZONA. EMPLOYMENT SECURITY COMMISSION. *Number of Employees Covered by the Employment Security Act, by Major Industry Groups 1938-1943*. Prepared by Statistics Section. Phoenix (?), 1944. 40 pp. Processed.

INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES. *Seventh Annual Meeting . . . Louisville, Kentucky, October 20-22, 1943*. Madison, Wis., 1944. 126 pp.

Addresses, discussion, and Conference documents. Includes: Financial and Administrative Problems of an Unemployment Compensation System in the United States, by Ewan Clague; Federal-State Cooperation in the Development of a More Adequate Unemployment Compensation Program, by A. J. Altmeyer; Allocating Administrative Funds to State Agencies, by Cyrus B. Bruns; and Report of the Conference President, by Paul A. Raushenbush. Limited free distribution; address R. Brice Waters, Executive Secretary, Interstate Conference of Employment Security Agencies, 1825 H St., NW., Washington 25, D. C.

MARYLAND. UNEMPLOYMENT COMPENSATION BOARD. *Experience Rating Forecast for 1944-45 Fiscal Year; Based on 1943 Taxable Wages for Employers Active as of July 1, 1944*. Baltimore (?), 1944. 50 pp. Processed.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Experience Rating Under the Missouri Unemployment Compensation Law for 1944 and Effect of Same Upon the Unemployment Benefits Reserve Fund of the State (A Solvency Study)*. Prepared by Department of Research and Statistics. Jefferson City, Sept. 1, 1944. 48 pp. Processed. (Special Research Bulletin No. 12.)

RAUSHENBUSH, PAUL A. "Unemployment Compensation—Program of the States." *U. C. C. Quarterly* (Unemployment Compensation Commission of North Carolina), Raleigh, Vol. 2, Summer 1944, pp. 65-69.

A statement before the U. S. Senate Committee on Post-War Economic Policy and Planning which declares that the present State system is adequate.

TENNESSEE. DEPARTMENT OF LABOR. UNEMPLOYMENT COMPENSATION DIVISION. *An Introduction to the Tennessee Unemployment Compensation Division; Basic Information for Agency Employees*. Prepared in the Personnel and Training Unit. Nashville, Sept. 1944. 76 pp. Processed.

"Trends in Covered Employment and Wages in Georgia." *Unemployment Compensation Review* (Georgia Bureau of Unemployment Compensation), Atlanta, Vol. 6, 2d Quarter 1944, pp. 14-22; 3d Quarter, pp. 15-19. Processed.

"Unemployment Compensation—How Long Does It Last." *U. C. C. Quarterly* (Unemployment Compensation Commission of North Carolina), Raleigh, Vol. 2, Summer 1944, pp. 80-81.

The duration of benefits in North Carolina, 1943.

Public Welfare and Relief

"Abono de Familia." *Boletim do Ministério do Trabalho, Industria e Comércio*, Rio de Janeiro, Vol. 10, June 1944, pp. 229-233.

Statistics of payments under the Brazilian law of April 1941 providing allowances to low-income families of 8 or more.

"Analysis of Pension Fund for the Blind Cases." *Caseload Report* (Department of Assistance, Philadelphia County Board), Philadelphia, Sept. 1944, pp. 1-19. Processed.

BERRO, ROBERTO. *Las Asignaciones Familiares en la Protección a la Infancia*. Montevideo: Ediciones Ceibo, Impresora L. I. G. U., 1944. 16 pp.

Advocates for Uruguay a system of family allowances to be linked to maternity insurance and supported by tripartite contributions.

BRYAN, DOROTHY. "History of the Blind in Tennessee." *Tennessee Public Welfare Record*, Nashville, Vol. 7, Oct. 1944, pp. 2-7.

CALIFORNIA. COORDINATING COMMITTEE ON STATE SERVICES FOR THE BLIND. *State Services for the Blind in California*. Revised. Sacramento, June 1944. 29 pp.

DAVIDSON, GEORGE F. "Family Allowances; An Instalment on Social Security—Part III." *Canadian Welfare*, Ottawa, Vol. 20, Oct. 15, 1944, pp. 11-17. 25 cents.

The last of 3 articles by the recently appointed Deputy Minister of Welfare in the new Canadian Federal Department of National Health and Welfare.

FALK, MYRON. "Social Action on Settlement Laws." *Social Service Review*, Chicago, Vol. 18, Sept. 1944, pp. 288-294. \$1.25.

Advocates united action to abolish residence requirements for public aid.

"Family Allowances in Canada." *International Labour Review*, Montreal, Vol. 50, Nov. 1944, pp. 674-675. 50 cents.

GETTYS, W. E. "Some Public Welfare Needs in Texas." *Association Bulletin* (Texas Social Welfare Association), Austin, Sept. 1944, pp. 3-7.

GRIFFIN, JOHN J. "The Standard Budget and Children's Responsibility in the Massachusetts Old Age Assistance Program." *Social Service Re-*

view, Chicago, Vol. 18, Sept. 1944, pp. 333-346. \$1.25.

A critical account of 1943 amendments to the State Old Age Assistance Law which provide for the prosecution of children declared liable for support of their parents. Includes the State standard budget.

HABER, WILLIAM. "Future of the USES." *Manpower Review*, Washington, Vol. 11, Oct. 1944, pp. 3-4 ff. 10 cents.

Declares that an effective Nationwide public employment service will be necessary to transfer war workers and veterans to civilian activities.

ILLINOIS. PUBLIC AID COMMISSION. *The Old Age Pension Program in Illinois*. Chicago, Apr. 1944. 7 pp. An informational pamphlet.

LEET, GLEN. "Rhode Island Abolishes Settlement." *Social Service Review*, Chicago, Vol. 18, Sept. 1944, pp. 281-287. \$1.25.

Some results of a public aid program in which need is the only condition for eligibility.

LOWE, JOHN. "Our Card File." *New Mexico Employment Security Review*, Vol. 4, Nov. 1944, pp. 2-5. Processed.

How New Mexico keeps its records on the liability of employment units.

MANNING, CATHERINE M. "An Evaluation of Compliance With the New York Social Welfare Law." *Smith College Studies in Social Work*, Northampton, Mass., Vol. 14, Sept. 1943-June 1944, pp. 311-350. 50 cents.

The New York law prescribes not only the granting of money but of "such service to those liable to become destitute as may prevent the necessity of their becoming public charges." This article reports on a study of services, as distinct from grants, in Rochester.

MANNING, CATHERINE M. "The Supervisor's Job in a Public Agency." *Public Welfare*, Chicago, Vol. 2, Sept. 1944, pp. 220-223. 50 cents.

RIVAS, MARGARITA E. "Social Work Among Migrants in Walsh County." *Public Welfare Bulletin* (Public Welfare Board of North Dakota), Bismarck, Vol. 9, Aug. 1944, pp. 13-16. Processed.

Some results of using a Spanish-speaking social worker among seasonal beet workers in North Dakota.

Health and Medical Care

ANDERSON, ODIN W. *State Enabling Legislation for Non-Profit Hospital and Medical Plans, 1944*. Ann Arbor: School of Public Health, Uni-

versity of Michigan, 1944. 56 pp. (Public Health Economics, Research Series, No. 1.)

Analysis of 33 State laws on hospital service plans and 14 laws on medical service plans enacted during the past 10 years. Also discusses proposed legislation and trends.

CAHAL, MAC F. "The Role of the Hospital in Medical Care." *New York State Journal of Medicine*, N. Y., Vol. 44, Nov. 1, 1944, pp. 2350-2354. 25 cents.

Holds that hospitals should not furnish medical care, such as radiology, as part of their insurance plans.

COPP, TRACY. "New Concepts of Displacement and Rehabilitation." *Social Service Review*, Chicago, Vol. 18, Sept. 1944, pp. 318-324. \$1.25.

The work of the Office of Vocational Rehabilitation.

DOWNES, JEAN. "Findings in the Study of Chronic Disease in the Eastern Health District of Baltimore." *Milbank Memorial Fund Quarterly*, N. Y., Vol. 22, Oct. 1944, pp. 337-351. \$1 a year.

FRASER, JAMES M. "Australia's Government Is Working Toward Hospitalization That Is Free." *Hospitals*, Chicago, Vol. 18, Oct. 1944, pp. 62-65. 30 cents.

General information on Australian medical planning, facilities, and legislation. By the Minister of Health and Minister for Social Services of the Commonwealth.

KRICK, ESTELLE I. "Medical Care for Low Income Groups." *Public Welfare Bulletin* (Public Welfare Board of North Dakota), Bismarck, Vol. 9, Aug. 1944, pp. 9-12. Processed.

A progress report on North Dakota.

LAYTON, T. B. *An Industry of Health, Being an Exposition of "Assumption B."* London: William Heinemann, Medical Books, Ltd., 1944. 100 pp. 3s. 6d.

Describes the various types of professional and other workers who go to make up the "industry of health," and considers institutional care and health centers.

Medical Care in Indiana. Public Welfare in Indiana, Indianapolis, Vol. 54, Sept. 1944, pp. 3-16. Entire issue.

Ten articles on various aspects of public medical and dental care in the State.

MOUNTAIN, JOSEPH W. "Medical Care: A Private Enterprise or a Social Service." *Public Health Reports*, Washington, Vol. 59, Oct. 27, 1944, pp. 1405-1411.

O'ROURKE, J. T. "An Analysis of the Number and Distribution of Active

Dentists in the United States." *Journal of the American Dental Association*, Chicago, Vol. 31, Aug. 1, 1944, pp. 1097-1110. 50 cents.

PENNSYLVANIA SCHOOL OF SOCIAL WORK. *Functional Case Work in a Medical Setting*. Edited by Edith W. Cressman. Philadelphia: The School, 1944. 84 pp. 50 cents.
Papers on medical social work practice.

PINEDO, JOSE G. "La Función Político-Social de Seguro de Enfermedad." *Boletín de Información, del Instituto Nacional de Previsión*, Madrid, Vol. 4, June 1944, pp. 779-785.

Notes the secondary functions of health insurance.

"Principles of a Nation-Wide Health Program." *Journal of the American Medical Association*, Chicago, Vol. 126, Nov. 4, 1944, pp. 640-641. 25 cents.

Critical analysis of a pamphlet issued under that title by the Committee on Research in Medical Economics.

"Progress in Care of Crippled Children Highlights Past Year's Activities." *Welfare Bulletin* (Illinois Department of Welfare), Springfield, Vol. 55, Oct. 1944, pp. 8-11. Illinois medical services for crippled children.

Public Health Economics; A Monthly Compilation of Events and Opinions. Published by Public Health Economics, School of Public Health, University of Michigan, Ann Arbor. Vol. 1, Sept. 1944. Processed.

A new and comprehensive documentation which abstracts about 150 publications monthly under such topics as Federal Government in the health field, Wagner-Murray-Dingell bill, hospital economics, voluntary prepayment plans, compulsory health insurance, and foreign material. Indexed.

SHEMEL, SIDNEY. "Workmen's Compensation Awards for Injuries to Specific Members of the Body." *Cornell Law Quarterly*, Ithaca, Vol. 30, Nov. 1944, pp. 218-235. \$1.

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The SOCIAL SECURITY BULLETIN is published monthly under authority of Public Resolution No. 57, approved May 11, 1922 (42 Stat. 541), as amended by section 307, Public Act 212, 72d Congress, approved June 30, 1932. This publication is approved by the Director of the Bureau of the Budget.

The BULLETIN is prepared in the Office of the Executive Director, Division of Publications and Review, of which Mary Ross is Chief, and is under the technical supervision of I. S. Falk, Director, Bureau of Research and Statistics. It reports current data on operations of the Social Security Board and the results of research and analysis pertinent to the social security program, and is issued primarily for distribution to agencies directly concerned with the administration of the Social Security Act. Statements in articles do not necessarily reflect final conclusions or official policies of the Social Security Board. Any part of this publication may be reproduced with appropriate credit to the BULLETIN as the source.

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